

## **Remarks from Biogas Danmark to the draft standard prEN 16325:2022: Guarantees of origin related to energy**

### **General remarks**

Biogas Danmark welcomes the initiative to expand the CEN standard on Guarantees of origin for energy to include biogas and other green gases to support the directive on renewable energy (2018/2001).

Unfortunately, the current draft goes way beyond the wording and meaning of the directive. This over implementation of the common rules adopted by the Member States and European Parliament is highly inappropriate. The draft, therefore, needs to be reconsidered and rephrased to ensure the standard back up the directive rather than bringing uncertainty, lack of transparency and inconsistency into the market.

We welcome the intention of specific rules on gas. Unfortunately, the current draft in section 5 in many aspects seems to be a rewriting of the rules originally developed for electricity. The current draft of section 5 does not take into account the specific characteristics of the gas sector and especially the biogas/biomethane sector based on anaerobic digestion.

Within RED II there are clear rules regarding sustainability and the claiming of carbon footprint. It must be ensured that this standard is in line with the actual rules the biogas producers have to fulfil – including the certification and verification schemes (RedCert, ISCC etcetera). The latter is the guarantee in the market that the Guarantees of Origin fulfil the rules – and the specific footprint of a volume placed on the market.

Here it is crucial that the calculations are made in a transparent and uniform way. This is especially important when it comes to the issuing of the Guarantees of Origin that must be issued for the whole production of biogas/biomethane.

The actual sustainability declaration will reflect the use of auxiliary energy etcetera – and hence the value in the market. If the guarantees of origin is only issued to the net production (gross production minus auxiliary energy consumption etcetera) this will hamper the market as the investments in production capacity have been made in trust to the current rules within the RED II. If they are only issued to the net production this will undermine the investments.

It will also hamper the transparency if some GOs are issued based on gross production where the sustainability assessment in the voluntary certification schemes calculates the net footprint and other GOs are issued based on the net production.

Therefore, Biogas Danmark urges CEN to stick to the basic rules in RED II and issue Guarantees of Origin to the whole production – and leave the calculation and inspection of the sustainability (carbon footprint etcetera) to the

voluntary schemes. And to make these calculations at an appropriate time scale. Currently, this is one year and the certified volumes of biogas/biomethane can then be distributed on the issued GOs.

Finally, it is not clear how the general general rules for guarantees of origin in section 4 is affecting the specific rules on biogas/biomethane in section 5 – and vice versa. We need further clarification of this.

**To summarize, this standard should**

- not go beyond the common rules in the renewable energy directive
- secure conformity with the general principles and specific regulations regarding the sustainability within the voluntary schemes that forms the basis of the RED II
- ensure GO'es are issued to the whole production and not only the net production after subtraction of the auxiliary energy consumption
- be tailored to the specific characteristics of the biogas/biomethane sector
- clarify to which extent specific rules for individual energy carriers in section 5 overrule the general rules in section 4.

## Specific remarks

**Re. 3.44: network compatible gas**

As an increasing share of the gas distributed in the distribution and transmission nets will be biomethane and other renewable gases "natural gas" should be changed to "gas". This transition has been made in the Danish legislation reflecting that the pipes are only an infrastructure that can distribute several gases of either fossil or renewable origin.

**Re. 4.4.1.3 k) 1) and 4.5.2.2 n) 1): Investment support**

It needs to be more clearly defined how it must be assessed whether an installation has benefited from investment support. An installation may have been granted an investment support many years ago, but this will be irrelevant if the plant has been totally renewed and enlarged during the years in operation.

**Re. 4.5.3: The Issuing process**

We agree that the Issuing Body shall issue the GO's within one month. But it shall only be based on the measurement of the production data.

**Re. 4.5.4.2: Calculation of Net Energy Production eligible for GOs**

We need clarification whether this section also applies to the gas sector.

As mentioned in the general comments GOs should be issued for the whole production – and the auxiliary energy consumption that will influence the carbon footprint will be assessed in the sustainability declaration issued by inspection bodies within the certification schemes.

**Re. 5.3.4 a): Additional criteria for issuing GOs**

It makes sense that the data on energy consumption on the plant is available as this is necessary for the sustainability assessment / certification process. This should, however, not lead to a mandatory process where the GOs is only issued to the net production of the energy carrier.

**Re. 5.3.7.3: Renewable Gas of Biological Origin: Inspection of substrate specific data**

It is very appropriate that the inspection of the substrate specific data is on an annual basis. These inspections should be aligned with or fulfilled by the audition/certification carried out according to Articles 30-31 of the RED II by the respective verification schemes. We must be sure there will be no additional audits or control issues.

There is a reference to section 5.3.8.3 which we do not find in the draft.

**Re. 5.3.8 Calculation of Net Energy Production eligible for GO issuing**

It is absolutely crucial that there can be issued GO's for the whole production of renewable biogas/biomethane and not only the Net Energy Production. The impact of the auxiliary energy consumption on the sustainability footprint will be included in the certification / declaration.

It is important to stress that the whole output in renewable biomethane is delivered to the grid – but the carbon footprint will be slightly higher per MWh due to the auxiliary energy consumption. Otherwise, the exact figures on the produced biomethane volume will not fit with the delivered gas to the grid.

If this standard leads to a situation where the producers of renewable green biogas/biomethane only can be granted GO's for the net production this will lead to an unjustified economic loss and severely hamper the crucial trust among the investors.

It will end up in an untransparent mess if this Standard is based on that the GO's are issued on a net basis whereas the sustainability assessment and certification is based on the actual carbon footprint of the produced gas. Should the auxiliary energy consumption then be exempted for the share of the produced renewable gas for which no GO's are issued?

In the certification according to RED the carbon footprint is also calculated for biogas based on digestion of maize or other energy crops. This has a higher carbon footprint than biogas produced from livestock manure or waste. This is different and more detailed from just considering whether the auxiliary energy is fossil or renewable. Hence this CEN standard will hamper the well functioning sustainability certification within the Renewable Energy Directive.

To conclude: It is crucial that the GOs are issued for the gross production of renewable biogas/biomethane but the GO could be issued with the information whether there is issued a sustainability declaration according to the renewable energy directive.

In Denmark specific national sustainability rules are applied on top of the rules according to the directive. This information is connected to the sustainability declaration but do not fit into the GO.