

REGATRACE NEWSLETTER | IRELAND |

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INTERNATIONAL BIOMETHANE AND REGATRACE PROJECT NEWS

Brussels 21 November 2022 – The Final Conference of the EU-funded project [REGATRACE](#) was held in November 2022 with great success. Over 100 participants and 20 speakers gathered in Brussels on 16 November 2022 to discuss the latest developments to boost biomethane trading across Europe. Cross-border trading of biomethane will be essential to ensure the EU can deliver 35 bcm of biomethane by 2030.

The scale-up of biomethane production to 35 bcm by 2030 proposed by the REPowerEU will support the European Union in the achievement of climate goals and energy security alike. Cross-border trading of biomethane and other renewable gases will underpin the decarbonisation of the gas sector in the path towards a climate-neutral Europe. In May 2022, REGATRACE was considered, within the REPowerEU Plan, one of the **reference projects** on innovative solutions and research on barriers to and integration of sustainable biomethane to the gas grid.

Regulatory, technical and economic barriers today prevent or hinder the emergence of a biomethane market in many EU countries. The conference tackled the importance to **recognise the green value of biomethane in all countries** to facilitate biomethane trade across national borders. The [ERGaR Certificates of Origin \(CoO\) Scheme](#) and the [AIB EECS Gas Scheme](#) provide the technical requirements for cross-border transfers of biomethane. The ERGaR CoO Scheme has been facilitating the cross-border trade of biomethane since 2021 and is operated by the European Renewable Gas Registry. Between end-2021 and mid-2022, **the amount of biomethane transferred via the ERGaR CoO Scheme increased from 30 GWh to 159 GWh.**

Since the REGATRACE project started in June 2019, it has contributed to create an efficient trade system based on **issuing and trading renewable gases Guarantees of Origin**, including biomethane. This is essential to provide certainty and information on where, when and how the renewable gas is produced, renewable gas certificates give confidence in the green gas sector, encourage gas producers to inject green gas into the grid, and allow for biomethane producers to sell the gas to all EU member states.

“REGATRACE has paved the way for integrated solutions towards a common European market for biomethane and other renewable gases. National and EU policymakers must engage in an open

dialogue with the biomethane industry to set-up one central registry that operates as a trustworthy platform for renewable gas certificates”, states Stefano Proietti, Project Coordinator of REGATRACE.

The EBA will launch in December the **2022 edition of the Statistical Report**, one of the landmark publications on the biogas and biomethane sectors in Europe.

EBA are pleased to invite you to a **dedicated webinar on 7 December, 10:00-11:00 CET**, to explore together the latest developments and future trends of the sector based on the data included in the Report.

2021 saw **the biggest year-on-year increase** in biomethane production ever. With many projects in the pipeline and the EU goal of 35 bcm of biomethane production by 2030, the **growth prospects for the sector** are equally promising.

IRELAND NEWS

The Ireland Biomethane Conference 9/10 November, hosted by RGFI, presented how Ireland is set to forge ahead with AD biomethane production and related bioeconomy, with major investment, policy and strategy announcements

Renewable Gas Forum Ireland (RGFI) has been working collaboratively to create conditions to establish Ireland's biomethane Industry. RGFI, in collaboration with industry members have been liaising with government departments, political parties and farming representatives, to gather momentum for change with policy and legislative supports. As well as facilitating industry partnerships, such as Project Clover, RGFI has also been central to the commissioning of the *Integrated Business Case for Biomethane in Ireland*, prepared by KPMG.

These efforts have run in parallel with the REGATRACE Programme and RGFI's membership of the European Biogas Association, putting EU policy at the centre of the proposed biomethane industry and related bioeconomy, helping to develop an efficient cross border gas trading platform, preparing a Vision, Roadmap and Feasibility Analysis Guidance for Ireland, and bringing European experience and insights to bear on discussions.

The Irish Government now recognises Ireland's potential to be a major player in biomethane production, using agricultural feedstock on-farm AD, as well as dedicated waste fed AD plants.



Speaking at the Ireland Biomethane Conference 9/10 November, hosted by RGFI, the Minister for Agriculture, Food and the Marine, Charlie McConalogue, announced a Government commitment to develop an Ireland Biomethane Strategy to deliver up to 5.7 TWh of indigenously produced biomethane. The target will require 200 large scale agricultural anaerobic digestion plants to be developed within the next decade.

This level of ambition is in recognition of the role that AD biomethane can play in decarbonising the food and drinks industry and the transport sector, whilst also providing a great farm diversification opportunity. It will also help to deliver the EU's raised ambition for biomethane production of 350TWh by 2030, under REPowerEU, while aligning with the EU Green Deal, Farm to Fork strategy.

Ireland is particularly suited to farm based AD biomethane and bio-fertiliser production because of its strongly pasture based agriculture with a strong dairy industry and ready availability of silage and slurry

feedstock. Research from the government agricultural research agency, Teagasc, and Devenish Nutrition, shows how a move to mixed species pastures can further the energy value and environmental benefits of the feedstock, with only 2% of land required for sustainable feedstock supply and 735k Ha of permanent pasturelands available for use to grow sustainable agri-feedstock to supply an indigenous and sustainable AD biomethane industry.

Members of RGFI have an ambition to achieve 2.5TWh of biomethane by 2030 and 9.5TWh by 2050. This will see 130 anaerobic digestion (AD) biomethane plants being built in rural Ireland by 2030, creating approximately 3,000 jobs, all of which requires capital funding of €1bn.

During the Ireland Biomethane Conference the Ireland Strategic Investment Fund announced that it will support the establishment and be an anchor of the €200 million dedicated biomethane fund over the next decade to help support the development of a new €2 billion biomethane industry.

ISIF views this investment as part of its role to support climate action and decarbonisation – especially food and agriculture, while also making a return on its investment. The growth and development of the industry will also help indigenous business to scale up to meet the demand and the opportunity. This investment will prove out the market for other financial investors, giving them the confidence to invest. Rabobank have also declared their absolute support for Ireland's biomethane industry.



Ireland is ideally suited to agri- / grass-based feedstock for AD biomethane production at scale. Anne Marie Henihan, DPTC; Jorge Pinto Antunes, European Commission; John McLenaghan, Ulster Farmers' Union; PJ McCarthy, RGFI; Hans van den Bloom, Rabobank.

An important policy announcement has also been made in recent months. The Minister for the Environment, Climate and Communications, Eamon Ryan, announced a Renewable Heat Obligation Scheme, to be implemented by 2024, something that RGFI has sought as the best means of providing a stable and fair way to bridge the funding gap, and which has paved the way for industry investment.

The Department of Transport has consulted on a policy for renewable fuels for transport with feedback recognising the potential for biomethane to address HGV transport decarbonisation.

In 2021 the Irish Government included biomethane for the first time in its Climate Action Plan, as a zero emissions fuel. It is the lowest cost, least disruptive renewable heat technology with the potential to decarbonise some of the hardest to decarbonise sectors that are fundamental to our economy – thermal demand in the food and drinks industry, and transport.



Milenko Matosic, DENA, described the REGATRACE project, the European framework for renewable gas certification and Germany's DENA Biogasregister.

Gas Networks Ireland has recently been formally appointed under Statutory Instrument as Ireland's national issuing body for the renewable gas registry. They are also responsible for Ireland's gas pipeline network – one of the most modern in Europe.

Policy, legislation, finance and consumer demand are now aligning, underpinned by a climate action imperative, as Ireland advances from visioning a biomethane industry to mobilising to deliver it.

PARTICIPANTS' UPDATE

Italy

On 26th October 2022, a new Italian Biomethane Decree established incentives mechanisms, allocating 1,73 billion EUR partially funds from the RRF, and combines assets and reforms for additional biomethane production (2.5 bcm/y by end of June 2026).

Moreover, the incentive tariffs have an estimated budget of 2.8 billion over a 15-year operational period.

The new measures aim at promoting the investments in new plants or reconverted plants (from biogas to biomethane) and encourages the development of this renewable gas and its injection into the national gas grid for use also in sectors other than transport (e.g heating for industrial, tertiary and residential sectors).

The introduction of the new scheme provides innovations and extensive modification on multiple lines and new specific incentives as Feed In tariff and Premium Tariff.

To require the support, the decree specifies a mandatory deadline (30 June 2026) to complete the work associated to the new construction or conversion plant.

In addition, the decree set out on a pay-as-bid principle, the reference tariff (€/MW h) for agricultural organic waste, and a premium incentive tariffs accounting of the evolving gas prices beside the aforementioned Guarantee of Origin (GoO).

Access to incentives is granted following the award of public competitive procedures in which production capacity quotas are made available periodically.

REGATRACE CONSORTIUM

REGATRACE has published its final booklet

<https://www.renewablegasforum.com/regatrace-final-booklet/>

The REGATRACE consortium is comprised of 15 partners from 10 countries (Austria, Belgium, Estonia, Germany, Ireland, Italy, Lithuania, Poland, Romania and Spain.)

