

Purchasing biomethane 1/2 Prerequisites

Are you a natural gas shipper in France and are seeking to expand your biomethane business by purchasing biomethane injected by producers into the natural gas networks? This information sheet explains the steps you need to take in order to start conducting this business.

Another information sheet available on our [website](#) provides further details of the process from the purchase of biomethane to its resale or consumption:

- [Purchasing biomethane 2/2 – Operational management, declarations and taxation](#)

In partnership with the Syndicat des Énergies Renouvelables (Renewable Energy Union), the French network operators (distributors and transporters) have published an overview of the sector which covers the main points effectively: [2020 renewable gas overview](#).

Procedure

Biomethane is generated by recovering biogas produced during anaerobic digestion of organic matter. After it is purified for injection into the French distribution and/or transmission networks, the chemical composition of biomethane is identical to that of natural gas. As such, it can be injected into the gas networks with a view to being used anywhere in France.

Biomethane **producers** hold a contract of connection and injection with the operators of networks into which they inject their gas. They declare their projects in the injection capacity management register and sell the biomethane to a shipper at a price guaranteed by the legislative framework in force.

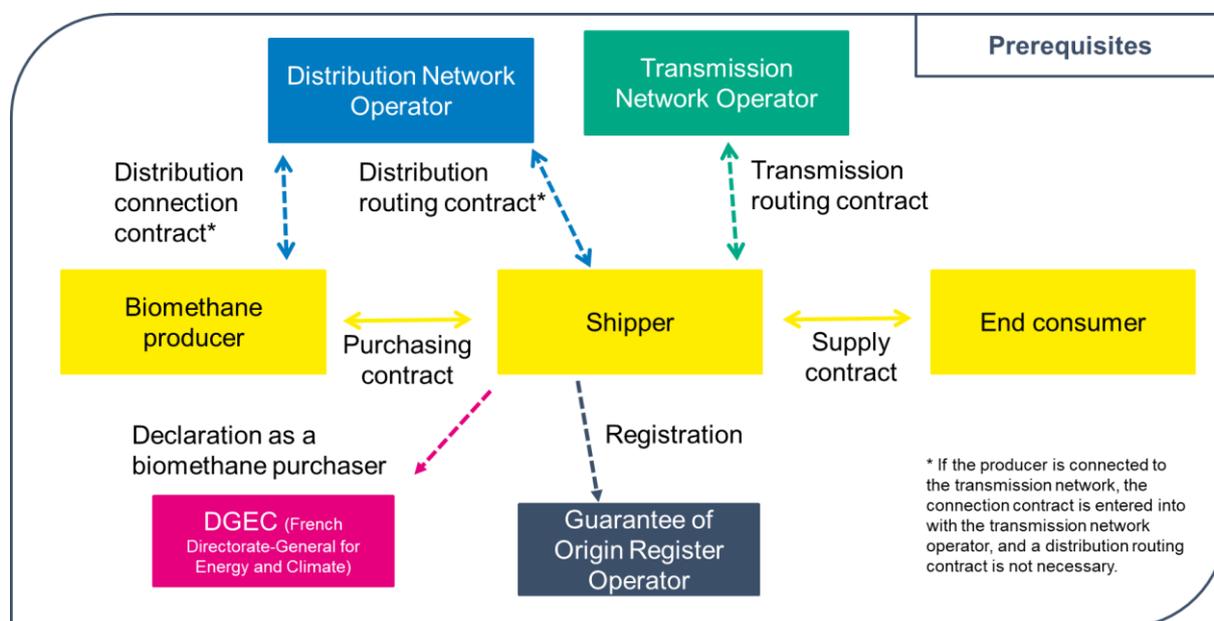
You are the **shipper (also called “supplier” in the energy code)**: you purchase biomethane under a purchase agreement entered into with the producer; manage the routing of inbound biomethane to the network and subsequently to end consumers under a routing contract signed with the network operator(s); monitor the Guarantee of Origin (GO) with the Guarantee of Origin Operator; resell the biomethane to the end consumer at a negotiated price; and receive compensation corresponding to the difference between the market price and the guaranteed price.

- If you signed your purchase contract before November 2020: you monitor the Guarantee of Origin (GO) with the Guarantee of Origin administrator, you sell the biomethane to the end consumer at a negotiated price and you receive compensation corresponding to the difference between the market price and the guaranteed price.

- If you signed your purchase contract after November 2020: the guarantee of origin is issued by the producer and transmitted to the State which organises auctions to sell it. You receive compensation corresponding to the difference between the market price and the guaranteed price. If you want to sell biomethane, you must buy guarantees of origin at the State auctions.

End consumers purchase biomethane from you and use it for their own requirements.

NB: the biomethane can also be forwarded by one or more intermediate shippers before being resold to the end consumer through the PEG (virtual trading point).



Finding a Producer

Network operators are not permitted to share information concerning their biomethane injection projects.

You are advised to contact the French Chambers of Agriculture and the agricultural cooperatives for information regarding these projects.

All biomethane production projects already in operation are listed by the network operators on the Energy Networks Open Data website: [visit the website](#).

Declaring yourself as a biomethane purchaser

You can make a prior declaration as a biomethane purchaser to the authorities in order to be identifiable as such to producers (non-mandatory step). This step takes about a month. [View the list of declared shippers.](#)

Contact at the Ministry for Ecological and Solidarity Transition:

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Signing a purchasing contract with a producer

You must enter into a purchasing contract with the biomethane producer. The producer must provide a copy of this (redacted of sensitive information) to the operator of the network to which its site will be connected. [Consult the standard purchasing contract.](#)

Register with the Guarantee of Origin Register Operator

The guarantee of origin register operator is the entity that ensures the traceability of each biomethane molecule injected into the network, thus vouching to end consumers that the biomethane they purchase and use is actually produced on a renewable basis.

The guarantee of origin operator is appointed by decree. GRDF was commissioned to manage the national guarantee of origin register for biomethane injected into natural gas networks from April 1st, 2018 for a period of 5 years.

Before receiving the first injected molecules, you must first register with the GO operator by downloading the General Terms and Conditions of Use, the Service Provision Contract, and the supplier user declaration form. All these documents are available from the Biomethane Guarantee of Origin Register website and must be returned to GRDF in two duly completed and signed copies.

You must provide the guarantee of origin operator with various details including the following:

- your SIREN number or VAT number
- your company name
- the postal address to which correspondence should be sent
- the billing address if different from the postal address

- the contact details of the Company representative for management of the contract, assigned as the Business Contact
- any document attesting to a valid authorisation to market natural gas on French territory.

If these documents prove compliant after checks, the guarantee of origin register operator will send you a signed copy of these documents and open your User account (it is possible to create several accounts if you wish).

An email notification will be sent to the address provided for each declared User stating that his/her account is being opened.

For further information, visit the [website](#) of the Biomethane Guarantee of Origin Register

Purchasing gas injected into a distribution network

To purchase biomethane injected into a distribution network, you must hold a routing contract with the distribution network operator, and another one with the operator of the transmission network that supplies the distribution network (adjoined to sections A, C and D2 at least).

Contact the distribution network operator for further details concerning inbound routing conditions for the distribution network.

For further information on the list of Transmission/Distribution Interface Points (PITD), with the contact names and addresses of each operator, consult the [table of PITDs per municipality](#).

An injection capacity into the transmission network is not necessary in order to introduce biomethane into the transmission network from the distribution network.

Purchasing gas injected into a transmission network

To purchase biomethane injected into a transmission network, you must hold a routing contract with the transmission network operator (adjoined to Sections A and C at least).

All information on the formalities required to [become a shipper](#) on the GRTgaz network and [further details regarding contracts](#) are available on the website.

Subscribing to injection capacities on the transmission network

You must subscribe to an injection capacity (at zero cost according to the pricing decision in force from 1st April 2021 to 31 March 2022) in order to receive biomethane in the transmission network.

Once injected, biomethane is not distinguished from natural gas in the rest of your portfolio in terms of operational management: it is counted as a positive entry in your balancing account for the Trading Region France (TRF), and can therefore be resold to the PEG (virtual trading point) or sent to an end consumer anywhere in France.