

Green Gas Support Scheme

---

## Quarterly Report – Issue 12

---

Publication date: 31 October 2024

---

Version number: 1.0

---

This is Issue 12 of the Green Gas Support Scheme (GGSS) quarterly report, which provides updates to key statistics for the GGSS and the associated Green Gas Levy (GGL). This report covers the second quarter of Scheme Year 4, from 1 July to 30 September 2024.

© Crown copyright 2024

The text of this document may be reproduced (excluding logos) under and in accordance with the terms of the [Open Government Licence](#).

Without prejudice to the generality of the terms of the Open Government Licence the material that is reproduced must be acknowledged as Crown copyright and the document title of this document must be specified in that acknowledgement.

Any enquiries related to the text of this publication should be sent to Ofgem at:

10 South Colonnade, Canary Wharf, London, E14 4PU.

This publication is available at [www.ofgem.gov.uk](http://www.ofgem.gov.uk). Any enquiries regarding the use and re-use of this information resource should be sent to: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk)

---

## Contents

<b>Introduction</b> .....	<b>4</b>
<b>Registered Scheme Participants</b> .....	<b>6</b>
<b>Tariff Guarantee Applications</b> .....	<b>8</b>
<b>Additional Capacity Applications</b> .....	<b>9</b>
<b>Budget Allocation</b> .....	<b>10</b>
<b>Levy Payments</b> .....	<b>12</b>

## Introduction

This quarterly report summarises key GGSS and GGL statistics from the second quarter of Scheme Year 4 (SY4), from 1 July to 30 September 2024. Under Regulation 65 of the Green Gas Support Scheme Regulations 2021<sup>1</sup>, Ofgem is obligated to publish a quarterly report containing information relating to the scheme within one month of the end of each quarter.

### About the Scheme

The Green Gas Support Scheme (GGSS) is a government scheme designed to increase the proportion of ‘green gas’ in the gas grid by providing financial incentives for new anaerobic digestion (AD) biomethane plants. The scheme is open to applications from eligible plants in England, Scotland, and Wales until 31 March 2028.<sup>2</sup>

The GGSS is funded through the Green Gas Levy (GGL), which places an obligation on all licensed fossil fuel gas suppliers in Great Britain (excluding those who supply at least 95% certified biomethane)<sup>3</sup> to pay a quarterly levy based on the number of meter points they serve.

The GGSS opened to applications on 30 November 2021 when our application portal (“the GGSS Portal”)<sup>4</sup> went live.

### Further Information and Guidance

Prospective applicants, obligated suppliers, or those interested in finding out more about the scheme, can find more information on our website<sup>5</sup>. This includes information on eligibility requirements, the tariffs that are available, the application process and supplier obligations.

---

<sup>1</sup> [Green Gas Support Scheme Regulations 2021](https://www.legislation.gov.uk/ukxi/2021/1335/contents/made) (as amended)  
<<https://www.legislation.gov.uk/ukxi/2021/1335/contents/made>>

<sup>2</sup> The date the scheme closes to applications was recently extended from 30 November 2025 to 31 March 2028 as part of the GGSS mid-scheme review. This change came into effect on 4 June 2024: [Green Gas Support Scheme: mid-scheme review](https://www.gov.uk/government/consultations/green-gas-support-scheme-mid-scheme-review)  
<<https://www.gov.uk/government/consultations/green-gas-support-scheme-mid-scheme-review>>

<sup>3</sup> [DESNZ approved biomethane certification schemes for the purposes of GGL exemption](https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/exemptions-from-the-green-gas-levy-ggl-approved-biomethane-certification-schemes)  
<<https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/exemptions-from-the-green-gas-levy-ggl-approved-biomethane-certification-schemes>>

<sup>4</sup> [The GGSS Portal](https://ggss.ofgem.gov.uk) <<https://ggss.ofgem.gov.uk>>

<sup>5</sup> [About the scheme: GGSS and GGL](https://www.ofgem.gov.uk/environmental-and-social-schemes/green-gas-support-scheme-and-green-gas-levy) <<https://www.ofgem.gov.uk/environmental-and-social-schemes/green-gas-support-scheme-and-green-gas-levy>>

---

We have also published dedicated GGSS<sup>6</sup> and GGL<sup>7</sup> guidance documents which further explain Ofgem’s administration of the scheme.

## **Contacts**

If you can’t find the information you need on our website, our customer service team will be happy to help. You can contact us by email at [GGSS.enquiry@ofgem.gov.uk](mailto:GGSS.enquiry@ofgem.gov.uk) or by telephone at **0300 303 5997**.

For press enquiries please contact Ofgem’s press office on **0207 901 7179**.

---

<sup>6</sup> [GGSS Guidance](https://www.ofgem.gov.uk/publications/green-gas-support-scheme-guidance) <https://www.ofgem.gov.uk/publications/green-gas-support-scheme-guidance>

<sup>7</sup> [GGL Guidance](https://www.ofgem.gov.uk/publications/green-gas-levy-guidance) <https://www.ofgem.gov.uk/publications/green-gas-levy-guidance>

---

## Registered Scheme Participants

Information on the number of registered scheme participants, the biomethane produced, and the periodic support payments are shown below in **Figure 1**. GGSS support is provided to registered biomethane producers based on the eligible biomethane (in kWh) that they inject into the gas grid. These figures only account for injection that occurred up to the end of quarter two in Scheme Year 3 (September 2023). Data for the injection that occurred during the rest of Scheme Year 3, and the first two quarters of Scheme Year 4, is yet to be approved and paid. As such, N/A is shown where the figures are currently unavailable.

There is currently one registered participant on the GGSS scheme who has received five periodic support payments totalling £1,089,060.50 based on 18,847,157 kWh of green gas injected into the grid.

**Figure 1: Registered scheme participants, biomethane production and payments**

	<b>Number of Scheme Participants<sup>8</sup></b>	<b>Biomethane Produced (m<sup>3</sup>)<sup>9</sup></b>	<b>Eligible biomethane produced (kWh)<sup>10</sup></b>	<b>Number of payments made</b>	<b>Total value of payments made<sup>11</sup></b>
Q3 SY1 (Nov to Dec) <b>to</b> Q1 SY2 (Apr to Jun)	0	0	0	0	£0
Q2 SY2 (Jul to Sep)	1	246,292	1,903,101	1	£104,860.84
Q3 SY2 (Oct to Dec)	1	586,840	4,145,455	1	£228,414.58
Q4 SY2 (Jan to Mar)	1	583,870	4,077,539	1	£224,672.39
Q1 SY3 (Apr to Jun)	1	462,000	4,235,146	1	£257,920.37
Q2 SY3 (Jul to Sep)	1	556,220	4,485,917	1	£273,192.32
Q3 SY3 (Oct to Dec)	1	N/A	N/A	0	N/A
Q4 SY3 (Jan to Mar)	1	N/A	N/A	0	N/A
Q1 SY4 (Apr to Jun)	1	N/A	N/A	0	N/A
Q2 SY4 (Jul to Sep)	1	N/A	N/A	0	N/A
<b>Total</b>	<b>1</b>	<b>2,435,222</b>	<b>18,847,157</b>	<b>5</b>	<b>£1,089,060.50</b>

<sup>8</sup> Participants are shown as Registered from the period within which they were eligible to claim for support, irrespective of when the application was processed.

<sup>9</sup> The volume of gas injected into the grid in cubic meters (m<sup>3</sup>) – the volume of the 'C' term on page 73 of the GGSS Guidance and regulation 27(2).

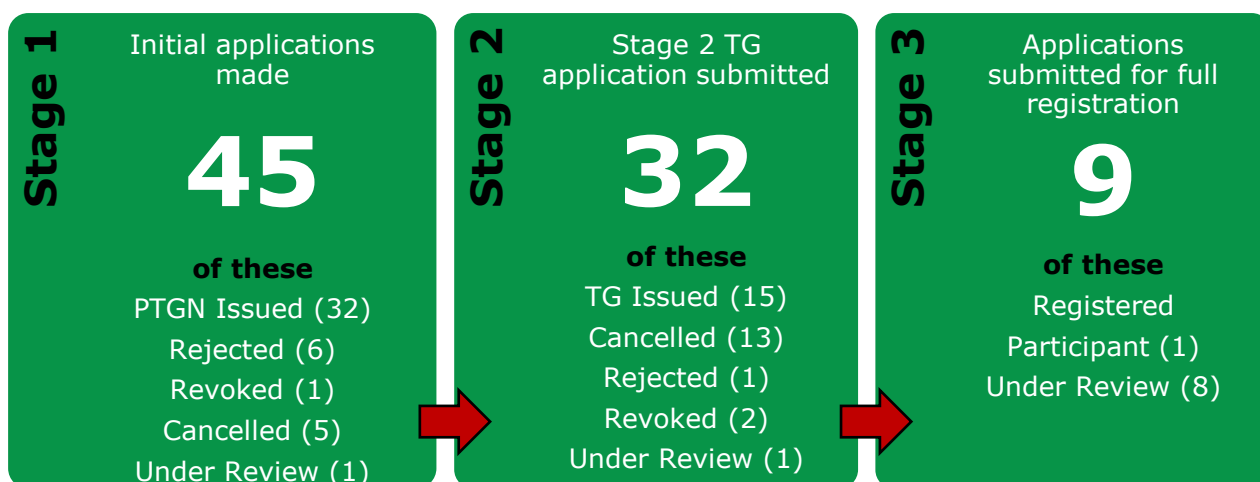
<sup>10</sup> kWh (kilowatt hours of heat). Eligible biomethane produced refers to the 'A' term defined in regulation 27(1) and is used for calculating the payment amount.

<sup>11</sup> Payments are based on the eligible biomethane (in kWh) participants inject into the gas grid and are reported against the period in which the biomethane was injected. The period the payment was made by Ofgem to the participant may differ to this.

## Tariff Guarantee Applications

Tariff Guarantees (TGs) are a compulsory stage of applying to the GGSS. Tariff guarantees allow prospective scheme participants to secure a tariff rate before their installation is commissioned and registered on the scheme. As seen in **Figure 2**, we had received 45 applications for tariff guarantees<sup>12</sup> as of 30 September 2024. Of the 45 initial applications made at stage 1, 32 went on to be granted with Provisional Tariff Guarantee Notices (PTGN), six were rejected, one was revoked, five were cancelled, and one is under review. Of the 32 PTGNs granted, 32 went on to submit a stage 2 TG application. Of these, 15 went on to be issued with a TG, 13 were cancelled, one was rejected, two were revoked and one is under review. Of the 15 applicants that have been granted tariff guarantees, nine have submitted their stage 3 applications for full registration. Of the nine applications submitted for full registration, one application has successfully been registered as a participant on the scheme and the other eight applications are currently under review.<sup>13</sup>

**Figure 2: Tariff guarantee application progress**



<sup>12</sup> Further information on the tariff guarantee application process can be found in our GGSS guidance.

<sup>13</sup> In cases where an application has been unsuccessful the applicant may submit a new Tariff Guarantee application. Any resubmission of a previously unsuccessful application will be treated as a new application and subject to budget availability at the time of submission.



## Additional Capacity Applications

Scheme participants may also apply to register additional capacity on top of the maximum initial capacity (MIC) applicable to their initial registration. As additional capacity registered on the scheme will also utilise scheme budget, applications for additional capacity must also be checked against the Application Budget cap.

As of 30 September 2024, we had received no applications for additional capacity. Applications for additional capacity may only be made by registered participants who increase or intend to increase (MIC).

**Figure 3: Additional capacity applications**

<b>Number of applications to register additional capacity received</b>	0
<b>Number of participants registered in respect of additional biomethane</b>	0

## Budget Allocation

The GGSS includes an annual Application Budget cap, set by the Department for Energy Security and Net Zero (DESNZ). This is the total estimated spend that can be allocated to applicants each financial year. All applications for a Tariff Guarantee (TG) or for additional capacity will be checked against the Application Budget cap to ensure that there is available budget for them to register and receive payments under the scheme based on their estimated production.

Please see our scheme guidance and DESNZ document, 'GGSS – Budget Management'<sup>14</sup> for further details of the Application budget cap.

**Figure 4** shows budget allocation figures up to Scheme Year 7, which are correct as of 30 September 2024. Publishing these figures is intended to allow prospective applicants to check that there are sufficient funds remaining in the financial year they intend to commence injection, and in subsequent years. Based on Tariff Guarantee applications received, the allocated budget shows a sharp rise between Scheme Year 2 and Scheme Year 4 as most applicants to date have provided a commissioning date or expect to commission over this period.<sup>15</sup>

---

<sup>14</sup> [GGSS: budget management guidance](https://www.gov.uk/government/publications/green-gas-support-scheme-budget-management/green-gas-support-scheme-budget-management) <<https://www.gov.uk/government/publications/green-gas-support-scheme-budget-management/green-gas-support-scheme-budget-management>>

<sup>15</sup> Please note that some applications submitted in Scheme Year 2 and Scheme Year 3 remain under review. If approved, payments will be backdated to the date the applications were properly made (this is the date that we have received all of the required information to a suitable standard in order to be able to make a decision on the application). The relevant budget has been allocated and is reserved for this purpose.

---

**Figure 4: Budget allocation as of 30 September 2024**

	<b>Annual Application Budget Cap<sup>16</sup></b>	<b>Budget allocated (TG applications received)<sup>17</sup></b>	<b>Budget committed (TGs granted)</b>	<b>Remaining budget</b>
SY1 (2021 to 22)	£37,000,000	£233,938	£233,938	£36,766,062
SY2 (2022 to 23)	£37,000,000	£2,598,348	£2,598,348	£34,401,652
SY3 (2023 to 24)	£32,900,000	£13,832,946	£13,823,099	£19,067,054
SY4 (2024 to 25)	£51,700,000	£45,383,032.96	£45,383,032.96	£6,316,967.04
SY5 (2025 to 26)	£80,300,000	£61,558,140.24	£60,853,354.70	£18,741,859.76
SY6 (2026 to 27)	£124,900,000	£78,912,264.43	£69,419,331.85	£45,987,735.57
SY7 (2027 to 28)	£174,200,000	£84,777,353.36	£72,993,677.45	£89,422,646.64

<sup>16</sup> The Annual Application Budget cap is a cap on the estimated spend that can be allocated for biomethane production within each scheme year.

<sup>17</sup> Figures are based on live TG applications, meaning any application that has been rejected and its 28 day right of review period has elapsed are not included.

## Levy Payments

The GGSS is funded by a levy placed on all licensed fossil fuel gas suppliers in Great Britain, known as the Green Gas Levy (GGL). The levy rate is set annually by DESNZ in December and used to calculate suppliers' payment obligations in the following scheme year. The obligation period runs for the full duration of the scheme year (1 April to 31 March) with payments collected each quarter in arrears.

At the start of each quarter, all licensed suppliers are required to submit meter point data. For each gas supply licence held, suppliers must provide the cumulative sum of gas supply meter points served each day of the previous quarter.<sup>18</sup> This data is used by Ofgem to calculate each supplier's levy obligation for that quarter, as well as the following quarter's credit cover requirement.

It is the supplier's responsibility to confirm accurate meter point data for each licence within the timeframes set out in the published scheme schedule, which is available on the Ofgem website.<sup>19</sup>

Prior to a levy payment being due, obligated suppliers are required to have a sufficient level of credit cover<sup>20</sup> lodged. This helps ensure levy payments are collected in a timely manner and reduces the likelihood of a mutualisation<sup>21</sup> event being required. Where a supplier fails to make a levy payment or mutualisation payment in full by the due date, Ofgem will draw down funds from a supplier's lodged credit cover.

Following GGSS regulation amendments made in December 2023<sup>22</sup> a de minimis threshold applied for the first time to total credit cover requirements for quarter one, and levy payments due in quarter one. A de minimis is a threshold, where if a payment is equal to or below the value of the de minimis, it need not be paid. The de minimis threshold is set annually by DESNZ.<sup>23</sup>

---

<sup>18</sup> Regulation 48 of the Green Gas Support Scheme Regulations 2021.

<sup>19</sup> [Green Gas Levy Annual Scheme Schedule for April 2024 to March 2025 | Ofgem](https://www.ofgem.gov.uk/publications/green-gas-levy-annual-scheme-schedule-april-2024-march-2025)  
<<https://www.ofgem.gov.uk/publications/green-gas-levy-annual-scheme-schedule-april-2024-march-2025>>

<sup>20</sup> Credit cover can be in the form of a cash payment made to Ofgem, a suitable letter of credit or a combination of these. Further details in our GGL Guidance.

<sup>21</sup> For further information on mutualisation please refer to chapter 6 of our GGL guidance.

<sup>22</sup> GGSS regulation amendment made in 2023: [Legislation.gov.uk](https://www.legislation.gov.uk)  
<<https://www.legislation.gov.uk/primary+secondary?title=green%20gas%20support%20scheme>>

<sup>23</sup> The de minimis threshold for 2024/2025 is £50: [Green Gas Levy \(GGL\): rates, underlying variables, mutualisation threshold and de minimis for the 2024-2025 financial year](https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/green-gas-levy-ggl-rates-underlying-variables-mutualisation-threshold-and-de-minimis-for-the-2024-2025-financial-year#de-minimis)  
<<https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/green-gas-levy-ggl-rates-underlying-variables-mutualisation-threshold-and-de-minimis-for-the-2024-2025-financial-year#de-minimis>>

---

Suppliers of at least 95% green gas can be exempted from paying the levy. Before each scheme year, suppliers may submit evidence to Ofgem demonstrating that they expect to provide at least 95% green gas in that scheme year. Ofgem will then determine whether that supplier should be 'provisionally exempt'. Provisionally exempt suppliers will not have to pay the levy or provide credit cover during the scheme year.

At the end of the relevant scheme year, provisionally exempt suppliers must demonstrate that they have supplied at least 95% certified green gas during that year. The green gas must have been injected into the gas grid during that year and be certified by a DESNZ approved biomethane certification scheme<sup>24</sup>. If they cannot demonstrate this, they will no longer be exempt from the levy and will be required to make backdated levy payments. Suppliers who were not provisionally exempt but supplied at least 95% certified green gas during the year may submit evidence of this. If we determine they are exempt for that year, they will receive a refund of levy payments made for the year.

## **Scheme Suppliers and Levy Payments**

**Figure 5** shows the number of obligated suppliers under the scheme. The number of obligated suppliers can vary quarter to quarter depending on licence revocation and/or approval of gas supply licenses. The sum of quarterly levy payments paid by scheme suppliers fell significantly for quarter two of Scheme Year 3 in comparison to previous quarters. This is due to a reduction in the levy rate from quarter two onwards in Scheme Year 3<sup>25</sup>. One supplier has been determined to be provisionally exempt for Scheme Year 4. The sum of the quarterly levy payments collected in quarter two of Scheme Year 4 was £2,399,193.48.

---

<sup>24</sup> [DESNZ approved biomethane certification schemes for the purposes of GGL exemption](https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/exemptions-from-the-green-gas-levy-ggl-approved-biomethane-certification-schemes) <<https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/exemptions-from-the-green-gas-levy-ggl-approved-biomethane-certification-schemes>>

<sup>25</sup> [Green Gas Levy \(GGL\): rates, underlying variables, mutualisation threshold and de minimis for the 2024-2025 financial year](https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/green-gas-levy-ggl-rates-underlying-variables-mutualisation-threshold-and-de-minimis-for-the-2024-2025-financial-year) <<https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions/green-gas-levy-ggl-rates-underlying-variables-mutualisation-threshold-and-de-minimis-for-the-2024-2025-financial-year>>

---

**Figure 5: Scheme suppliers and levy payments made**

	Number of scheme suppliers <sup>26</sup>	Number of provisionally exempt scheme suppliers	Number of active scheme suppliers <sup>27</sup>	Sum of the quarterly levy payments paid by scheme suppliers
Q3 SY1 (Oct to Dec)	85	N/A	N/A	N/A
Q4 SY1 (Jan to Mar)	98	1	N/A	N/A
Q1 SY2 (Apr to Jun)	94	1	94	£14,582,036.61
Q2 SY2 (Jul to Sep)	91	1	74	£13,011,589.23
Q3 SY2 (Oct to Dec)	90	1	73	£13,170,270.55
Q4 SY2 (Jan to Mar)	88	1	72	£13,189,985.89
Q1 SY3 (Apr to Jun)	87	1	71	£12,923,645.02
Q2 SY3 (Jul to Sep)	87	1	69	£2,772,493.66
Q3 SY3 (Oct to Dec)	86	1	68	£2,807,610.56
Q4 SY3 (Jan to Mar)	78	1	67	£2,813,594.32
Q1 SY4 (Apr to Jun)	77	1	64	£2,784,213.05
Q2 SY4 (Jul to Sep)	74	1	61	£2,399,193.48

<sup>26</sup> A scheme supplier is a licensed gas supplier. The number shown includes all suppliers licensed at any point during the quarter. Therefore, the number licenced at the end of the quarter could be different.

<sup>27</sup> Active suppliers are those suppliers obligated to pay the levy in a given quarter. For more information on when scheme suppliers are not required to make levy payments, please refer to our GGL guidance.

## Supplier Compliance

We monitor suppliers' compliance with their obligations under the GGL and include details of any non-compliance in this section of the report. This can include missed or late levy payments, credit cover payments or mutualisation payments. Ofgem are required by GGSS Regulations to publish certain information about such defaults on the Green Gas Levy default register.<sup>28</sup>

Depending on the nature of the non-compliance, we may deem it appropriate to add details to the Supplier Performance Report (SPR).<sup>29</sup> The SPR documents incidents where energy suppliers have not complied with their obligations. We publish this data to provide transparency and to hold suppliers to account for non-compliance which can impact the effectiveness of schemes and increase costs passed on to consumers.

For this quarter, Ofgem requested levy payments from obligated suppliers on 25 July 2024; the deadline to provide this was 11.59pm on 12 August 2024. There were zero instances of failure to provide levy payments by the deadline. Four suppliers failed to meet their administrative obligations to confirm their meter point data submission<sup>30</sup> this quarter. The suppliers who did not meet this obligation were:

1. Cilleni Energy Supply Ltd
2. Flogas Enterprise Solutions Ltd
3. OSSO Energy PLC
4. Square 1 Energy Ltd

One supplier failed to meet their administrative obligations by not providing contact information on time this quarter. The supplier who did not meet this obligation was:

1. Yu Energy Retail Ltd

---

<sup>28</sup> [Green Gas Levy default register](https://www.ofgem.gov.uk/publications/green-gas-levy-default-register) <https://www.ofgem.gov.uk/publications/green-gas-levy-default-register>

<sup>29</sup> [Supplier Performance Report \(SPR\)](https://www.ofgem.gov.uk/supplier-performance-report-spr) <https://www.ofgem.gov.uk/supplier-performance-report-spr>

<sup>30</sup> Meter point data is used to calculate the levy payments due and credit cover requirements for upcoming quarters. It is a legal requirement that suppliers confirm that their meter point data is accurate. Failure to confirm this with us is therefore considered a non-compliance. See regulation 48 of the GGSS Regulations and our guidance for further details.

---