

Green Gas Support Scheme (GGSS) Summary of updates in the GGSS Guidance

Introduction

This document outlines the updates that we have made in each iteration of the Green Gas Support Scheme guidance. The paragraph numbers referred to in this document relate to the paragraph numbers at the time of updating.

Overview of amendments to Green Gas Support Scheme guidance

Version 2.1

Throughout the document

- Minor amendments to document to improve clarity.
- Paragraph numbering changed and associated references updated in chapters where new paragraphs are added.

1. Introduction

- Related publications and useful links: Links added to DESNZ guidance for calculating fugitive methane emissions as part of the greenhouse gas criteria and the GHG calculator for GGSS

5. Applying for registration

- Paragraph 5.5: Added sentence to indicate that applicant must be able to demonstrate they are able to meet the ongoing sustainability requirements on the scheme.
- Table 3: Added row to include 'a proposal of Fuel Measurement and Sampling procedures including all supporting evidence' as part of the information needed for an application to be a properly made application.
- Paragraph 5.13: A new paragraph added to make Ofgem's role in relation to environmental legislation clear, by stating that we are the administrators of the scheme do not have the powers of an environmental agency.
- Paragraph 5.50: Previous bullet point relating to sustainability and feedstock split into two separate bullet points for clarity.

- Paragraph 5.54: New sentences added linking FMS procedures we agree to with the “Methods of calculating greenhouse gas emissions” published by DESNZ and the associated DESNZ guidance for calculating fugitive methane emissions.

8. Injection data and submission process

- Paragraph 8.1: New sentence added to indicate that eligible biomethane must also be “sustainable biomethane” as set out in chapter 13 of our guidance for us to be able to make payment.

9. Periodic Support Payments and Tariff Rates

- Paragraph 9.27: New paragraph added to indicate that biomethane injected must also be sustainable biomethane to receive payment.

10. Ongoing obligations

- Previous “Sustainability” sub-heading changed to “Ongoing sustainability obligations”
- Paragraph 10.29: New paragraph added to indicate that a participant is required to submit evidence in support of compliance with both GHG and land criteria.

13. Sustainability requirements

- Paragraphs 13.9: The actual value method bullet point has been expanded to reference the new GHG calculator and to indicate that participants have the choice to propose their own GHG calculator. We explain how actual value approaches proposed would be assessed in line with the published DESNZ GHG methodology and associated DESNZ guidance.
- New subsection added under the heading, “Providing evidence on fugitive methane emissions”.
- Paragraphs 13.10 to 13.17: New paragraphs added to provide a high-level summary of how we administer the ongoing obligations of participants against the GHG criteria in relation to DESNZ guidance on reporting fugitive methane emissions. Figure 3 provides a visual summary of the three principal areas of fugitive methane emissions which are set out in more detail within the DESNZ Guidance.
- New subsection added under the heading, “Leak Detection and Repair (LDAR)”.
- Paragraphs 13.18 to 13.21: New paragraphs added to explain that where LDAR is needed as a condition to use certain standard values set out in the DESNZ guidance on fugitive methane emissions reporting, then failure to meet LDAR requirements as set

out by DESNZ may result in payments being temporarily withheld. Where LDAR evidence is not provided and evidence of actual methane emission values using an alternative method is not provided, payments may be permanently withheld and non-compliance action taken.

- Paragraph 13.52: Sentence amended for clarity to indicate that information and evidence provided as part of the audit report will support claims that the biomethane injected is sustainable.

16. Audit and Compliance

- Paragraph 16.25 and 16.61: Language in the sentence updated to align with our policy on responding to allegations of fraud, scheme abuse and misuse.
- Paragraph 16.68: New paragraph added to emphasise that participants must hold the required planning permissions and environmental permits. If there is any evidence of non-compliance in this regard, information may be shared with the related statutory agencies.

Version 2.0 (final version)

Throughout the document

- Minor amendments to document to improve clarity.

Eligible heat pumps – notification of an eligible heat pump

- Paragraph 7.6: Examples added to the list of information that is required as part of a notification of an eligible heat pump.

Version 2.0 – Draft for comment

Throughout the document

- Minor amendments to document to improve clarity.
- Footnote and cross references updated following changes made to chapters.
- Reference added to the Green Gas Support Scheme (Amendment) regulations 2024 where necessary.
- References to the Department for Business, Energy, and Industrial Strategy (BEIS) updated to the Department for Energy Security and Net Zero (DESNZ).
- References to scheme deadline for new applications updated to 31 March 2028.

1. Introduction

- Paragraph 1.7: Updated to include reference to Version 2 of the guidance being published to reflect the 2024 regulation changes.
- Paragraph 1.9: Amended to emphasise that participants are responsible for obtaining their own legal and technical advice. Also included reminder that applicants and participants are responsible for complying with the requirements of the law and that the GGSS regulations take precedence over the GGSS guidance.
- Related publications and useful links: Links added to the GGSS (Amendment) Regulations 2024, GGSS Mid-scheme Review Government Response, GGSS Mid-scheme Review Consultation document, the GGSS Tariff Table, Current Application Budget Cap and remaining budget and, Greenhouse gas methodology.

2. Key concepts in the GGSS

- Paragraph 2.7: Added paragraph to clarify that GGSS is open to applications for new AD plants only and that other similar technologies such as landfill gas technology are not eligible under GGSS.

3. How to apply to the GGSS

- Paragraph 3.3, Stage 1: Removed reference that on receipt of Stage 1 application we would confirm whether there is budget available to better reflect administrative processes.
- Paragraph 3.3, Stage 2: Added clarification that applicants with a tariff guarantee issued prior to the 2024 amended regulations, must commission in line with the regulations in force at the time it was issued.
- Figure 1: Amended to include an asterisk in the stage 1 approved box to make it explicit that Ofgem must not issue a PTGN at stage 1 approval unless there is budget available.

4. Applying for a tariff guarantee

- Paragraph 4.3: Sentence tweaked to make it explicit the information listed in the paragraph is required for it to be a “properly made” application. Addition of bullet point which states that a properly made Stage 1 application must also contain any other information which we may require.
- Paragraph 4.19-4.22: Paragraphs amended and new paragraphs added to clarify the definition of ‘properly made’ in relation to a GGSS application (at Stage 1, Stage 3 and for applications to register additional capacity).

5. Applying for registration

- Added new heading on “Information required for registration”
- Paragraph 5.6: New paragraph added with reference to new Table 3
- Table 3: New table added summarising the information required in order for an application registering a GGSS plant to be properly made.
- Paragraph 5.7: clarified that the bank account which is provided must be one which accepts BACS payments.
- Paragraph 5.26 & 5.30: Added explanation that a grant can be repaid by offsetting against periodic support payments.
- Paragraph 5.46-5.47: Paragraphs added that if an applicant wishes to use an eligible heat pump as part of AD and/or biomethane production, then they can notify us during application for registration and referring the reader to chapter 7 for full details.
- Paragraph 5.56: Additional clarity provided that meter readings should be provided for all meters and that all readings should be made within 3 days before the properly made submission date of the application for registration.

6. Applying for Additional Capacity

- Paragraph 6.2: Paragraph added for clarity on when payments for additional capacity can be expected to start following an application to register additional capacity.
- Paragraph 6.7-6.8: Paragraph expanded to clarify the duration of the tariff for registered additional capacity and that there would be no retrospective payments for additional capacity.
- Paragraph 6.11: Changes made to reflect that participants wishing to register additional capacity should email us. Sentence removed which indicated that applications for additional capacity may be made through the GGSS portal.
- Paragraph 6.13-6.16: Paragraphs added to provide more guidance on supporting evidence required to apply for additional capacity, the notification of successful registration and clarification of participant obligations which apply once additional capacity is registered.

7. Eligible heat pumps

- New chapter added setting out the eligibility criteria for registering an eligible heat pump for the new exemption against deduction of heat in the calculations of “eligible biomethane.” Also providing details of the notification process for registration of eligible heat pump, the supporting evidence required and the electrical metering requirement.

8. Injection data and submission process

- Paragraph 8.3: The formula updated to indicate that heat supplied from a registered eligible heat pump is exempt from deduction and all the electrical input to the registered eligible heat pump is deducted instead.
- Paragraph 8.14: Paragraph added for clarity on the use of an eligible heat pump.
- Paragraph 8.18: The term ‘E’ is redefined to explain that heat supplied by the eligible heat pump heat is exempt from deduction.
- Paragraph 8.19-8.21: New paragraphs added to redefine the term ‘G’ in the eligible biomethane calculation formula as the total amount of electricity provided by a registered eligible heat pump.
- Paragraph The term ‘H’ is added, given the definition of the previous term ‘G’.

9. Periodic Support Payments and Tariff Rates

- Paragraph 9.13-9.14: Reference to the initial scheme tariff rates removed and included as a footnote to prevent confusion with the current applicable tariff rates. Additional footnote added to include link to our webpage where the most up to date tariffs available to potential applicants are published.
- Paragraph 9.16: Added sentence with the link to the current initial tariff rate available to an applicant.

- Paragraph 9.22: The formula updated to reflect that heat supplied from a registered eligible heat pump is exempt from deduction and all the electrical input to the registered eligible heat pump is deducted instead.
- Paragraph 9.25: Added cross reference to additional capacity process in chapter 6 and removed reference to guidance on additional capacity registration to be updated.

10. Ongoing obligations

- Paragraph 10.8: Added further examples of when Ofgem should be notified of a change including when a grid connection point is changed or when the licenced gas transporter with whom a Network Entry Agreement is held is changed.
- Paragraph 10.10: Added further examples of supporting documentation to reflect the above.
- Paragraph 10.11: Paragraph amended to clarify that we will suspend payment during the period of review following notification of change until the review is finished. We will resume payment, and make a backdated payment if appropriate, if we are satisfied the changes meet all eligibility criteria.

13. Sustainability requirements

- Paragraph 13.6: Additional context provided for clarity on method for the Greenhouse Gas emission calculations.

Version 1.2

2. Key concepts in the GGSS

- Table 1: Biomethane storage equipment and external heat sources added to list of equipment not generally included in the definition of 'equipment used to produce biomethane'.
- Paragraph 2.6: Amended to emphasise that the list of equipment not included in the definition of 'equipment used to produce biomethane' is non-exhaustive and that applicants may need to seek independent advice.
- Paragraph 2.9: Addition of paragraph stating that Ofgem will refuse registration to an application for a plant using the same equipment used to produce biomethane as another participant.

4. Applying for a tariff guarantee

- Paragraph 4.3: Clarified language around further information provided later in guidance.
- Paragraph 4.7 – 4.13: Addition of section clarifying stance on remote injection points.

16. Enquiries, complaints and right of review

- Addition of this new chapter providing information on how to make enquiries, lodge a complaint and the applicant's/participant's right of review.

Version 1.1

Throughout the document

- Adjustments to paragraph spacing in some instances to assist with readability.
- Footnote numbers updated due to additional footnotes added within document.

1. Introduction

- Paragraph 1.7: detail relating to updates made in previous version of guidance removed (these are detailed in a separate document published alongside version 1.0 of the guidance).
- Related publications and useful links: Link removed to November 2021 guidance, link added to GGSS Regulation amendment 2022.

2. Key concepts in the GGSS

- Paragraph 2.28: Amended to refer to chapter 8 for further details on tariffs and periodic support payments.

4. Applying for a tariff guarantee

- Paragraph 4.3: Amendment to footnote reference to regulations so that GGSS Regulations, Regulation 4(5)© reads as 4(5)(c).
- Paragraph 4.17: Correction to amend first sentence to indicate tariff participant will receive is based on when their application for stage 1 is properly made (not when first registered). Link provided in the footer to our website page where tariffs are published.
- Paragraph 4.18: Reference added to regulations as new footnote and words 'and will hereafter be referred to as the stage 1 properly made date' added to end of paragraph.
- Paragraph 4.18: Reference added to footnote number 30 to refer to GGSS Regulation amendment 2022 as well as regulation 4(9).
- Paragraphs 4.19-4.21: New paragraphs added to explain how Consumer Price Index is taken into account in initial tariffs for applications where the gap between a properly made application and registration span over a new financial year.
- Paragraphs 4.22 to 4.45: Paragraph numbers updated to reflect new paragraphs inserted into document.

5. Applying for registration

- Paragraph 5.49: Amendment to indicate template for FMSQ is published on website, link to this provided in footer at bottom of page.

8. Periodic support payments and tariff rate

- Paragraph 8.11: Rephrasing of paragraph which explains that application of CPI increase for instances where the date of registration of an application occurs in a different financial year to the stage 1 properly made date.