

# Biomethane & RHI

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# Introduction to The RHI

- A world-first financial incentive to promote the generation of renewable heat & biomethane
- £860m for RHI over four years
- Scheme funded through taxation (not a levy)
- Payments made quarterly over 20 year period on basis of metered biomethane injected (p/kWh)
- Ofgem administer the RHI on behalf of DECC

# DECC Policy Intent

- No specific targets for individual technologies, instead forecasts for deployment of each
- March 2011 impact assessment shows that the expected biogas capacity (including BtG) is 7% of total RHI deployment by 2020
- Forecast uncertain due to fledgling nature of technology and knowledge of RHI impact

# Role of Ofgem

DECC

- Develop overarching policy framework and supporting legislation
- Set tariffs for different technologies
- Specify detailed eligibility criteria and scheme rules in RHI Regulations

Ofgem

- Formally administer the scheme on behalf of Government and in line with the RHI Regulations
- Accredite installations to the scheme
- Receive and check periodic data
- Make payments to participants
- Provide guidance and support to participants
- Ensure compliance with scheme rules, including through audits and inspections

# Eligibility

- Biomethane from biogas produced by AD, gasification or pyrolysis
- AD includes sewage gas
- Landfill gas is not eligible
  
- Biogas – 200kWth heat output limit

# Biomethane Calculation

$$\begin{aligned} & \text{Tariff (7.1p)} \\ & \times \\ & \text{(kWh of biomethane injected} \\ & \quad - \\ & \quad \text{(kWh of propane contained in biomethane injected} \\ & \quad \quad + \\ & \quad \quad \text{kWhth of heat supplied to biogas production plant}^1 \\ & \quad \quad \quad + \\ & \quad \quad \quad \text{kWhth heat supplied to the biomethane production process) )} \\ & \times \\ & \text{Proportion of biomass contained in the feedstock if the biogas was produced through} \\ & \quad \text{gasification or pyrolysis} \end{aligned}$$

*<sup>1</sup>unless from biogas combustion from the same biogas production plant*

# Information required for Biomethane Registration

- Date of Injection
- Feedstock & details of feedstock suppliers
- Detailed Schematic Diagram, that shows all of the energy flows and location of meters
- List of equipment
- Energy content measurement equipment
- Propane measurement equipment

# Information required for Biomethane Registration continued

- Details of relevant heat deduction calculations
- Evidence that the biomethane will be 'suitable for conveyance' in accordance with the gas act
- Network Entry Agreement
- Evidence to show that the gas is being/will be injected onto the gas 'pipe-line system'
- Photographic evidence of equipment
- Metering accuracy evidence



# Periodic Data

## What?

- Flow rate and calorific value of biomethane and propane injected (kWh)
- Contamination percentage of biogas feedstock (if gasification/pyrolysis)
- Heat flows to upgrade and biogas production (kWhth)
- Sustainability information for feedstocks

## When?

- Data is required quarterly
- Expect to receive payment within 6 weeks after receipt of data

# Future RHI

DECC decisions:

- Interim Cost Control (ICC) – [Estimated commitment graph](#)
- Future budget management & changes to biomethane – DECC on track to publish consultation in July 2012

# Contacts & Links

RHI Enquiries: 0845 200 2122

[RHI Homepage](#)

[Fuel Measurement and Sampling Questionnaire](#)



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# Appendix A: Schematic Diagram

- Equipment used to pre-treat feedstock
- Equipment composing biogas production plant
- Equipment used to convert biogas to biomethane
- Location of heat meters (if required) to calculate heat used in biogas and/or biomethane production process
- Biogas or biomethane flaring equipment
- Location of equipment used to measure the energy content of propane added
- Any electricity/heat generating equipment