

Green Gas Support Scheme

Quarterly Report – Issue 14

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This is Issue 14 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 fourth quarter of Scheme Year 4, from 1 January to 31 March 2025.

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Introduction

This quarterly report summarises key GGSS and GGL statistics from the fourth quarter of Scheme Year 4 (SY4), from 1 January to 31 March 2025. Under Regulation 65 of the Green Gas Support Scheme Regulations 2021¹, 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 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 2028.²

The GGSS is funded through the GGL, which places an obligation on all licensed fossil fuel gas suppliers in Great Britain (excluding those who supply at least 95% certified biomethane)³ 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”)⁴ went live.

Further Information and Guidance

Prospective applicants, obligated suppliers, or those interested in finding out more about the scheme, can find information on our website⁵. This includes information on eligibility requirements, the available tariffs, the application process and supplier obligations.

¹ [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>>

² The date the scheme closes to applications was 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>>

³ [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>>

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

⁵ [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 GGSS⁶ and GGL⁷ 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 or by telephone at **0300 303 5997**.

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

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

⁷ [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 2 in Scheme Year 3 (September 2023). Data for the injection that occurred during the rest of Scheme Year 3, and 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 5 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

	Number of Scheme Participants ⁸	Biomethane Produced (m ³) ⁹	Eligible biomethane produced (kWh) ¹⁰	Number of payments made	Total value of payments made ¹¹
Q3 SY1 (Nov to Dec) to 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
Q3 SY4 (Oct to Dec)	1	N/A	N/A	0	N/A
Q4 SY4 (Jan to Mar)	1	N/A	N/A	0	N/A
Total	1	2,435,222	18,847,157	5	£1,089,060.50

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

⁹ The volume of gas injected into the grid in cubic meters (m³) – the volume of the 'C' term on page 73 of the GGSS Guidance and regulation 27(2).

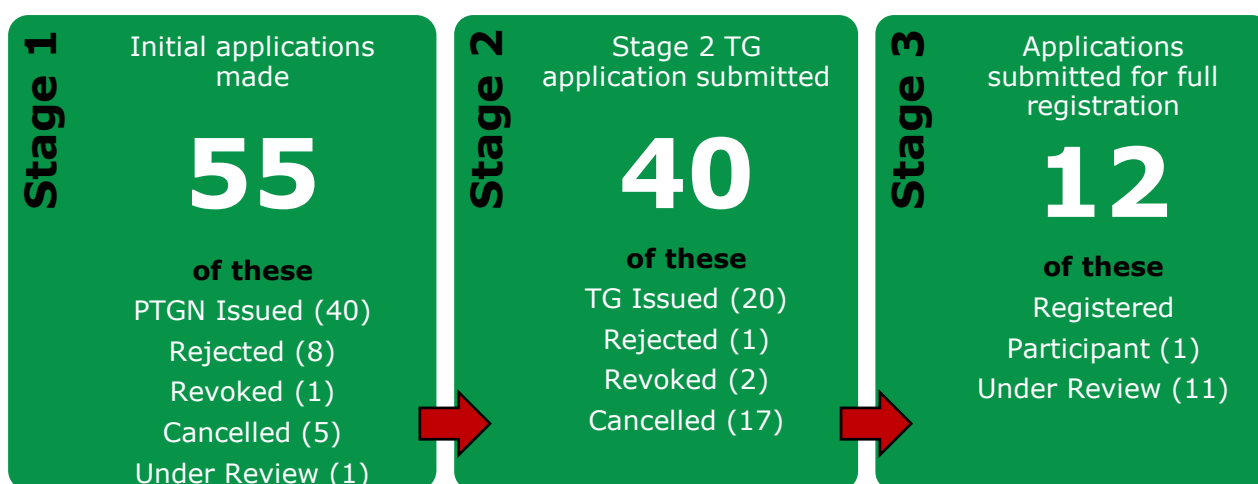
¹⁰ kWh (kilowatt hours of heat). Eligible biomethane produced refers to the 'A' term defined in regulation 27(1) and is used for calculating the payment amount.

¹¹ 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 55 applications for tariff guarantees¹² as of 31 March 2025. Of the 55 initial applications made at stage 1, 40 went on to be granted with Provisional Tariff Guarantee Notices (PTGN), 8 were rejected, one was revoked, 5 were cancelled, and one is under review. Of the 40 PTGNs granted, 40 went on to submit a stage 2 TG application. Of these, 20 went on to be issued with a TG, 17 were cancelled, one was rejected and 2 were revoked. Of the 20 applicants that have been granted tariff guarantees, 12 have submitted their stage 3 applications for full registration. Of the 12 applications submitted for full registration, one application has successfully been registered as a participant on the scheme and the other 11 applications are currently under review.¹³

Figure 2: Tariff guarantee application progress



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

¹³ 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 31 March 2025, 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

Number of applications to register additional capacity received	0
Number of participants registered in respect of additional biomethane	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'¹⁴ for further details of the Application budget cap.

Figure 4 shows budget allocation figures up to Scheme Year 9, which are correct as of 31 March 2025. 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.¹⁵

¹⁴ [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>>

¹⁵ Please note that some applications submitted in Scheme Year 2 to Scheme Year 4 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 31 March 2025

	Annual Application Budget Cap¹⁶	Budget allocated (TG applications received)¹⁷	Budget committed (TGs granted)	Remaining budget
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	£13,832,946	£19,067,054
SY4 (2024 to 25)	£51,700,000	£45,931,957	£45,931,957	£5,768,043
SY5 (2025 to 26)	£80,300,000	£68,503,685	£68,503,685	£11,796,315
SY6 (2026 to 27)	£124,900,000	£89,847,049	£88,508,217	£35,052,951
SY7 (2027 to 28)	£174,200,000	£101,373,927	£97,912,185	£72,826,073
SY8 (2028 to 29)	£203,800,000	£106,626,348	£102,794,897	£97,173,652
SY9 (2029 to 30)	£214,300,000	£109,926,916	£105,741,278	£104,373,084

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

¹⁷ 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.¹⁸ 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.¹⁹

Prior to a levy payment being due, obligated suppliers are required to have a sufficient level of credit cover²⁰ lodged. This helps ensure levy payments are collected in a timely manner and reduces the likelihood of a mutualisation²¹ 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 2023²² 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.²³

¹⁸ Regulation 48 of the Green Gas Support Scheme Regulations 2021.

¹⁹ [Green Gas Levy Scheme Schedule for April 2025 to March 2026](https://www.ofgem.gov.uk/publications/green-gas-levy-scheme-schedule-1-april-2025-31-march-2026)
<<https://www.ofgem.gov.uk/publications/green-gas-levy-scheme-schedule-1-april-2025-31-march-2026>>

²⁰ 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.

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

²² 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>>

²³ The de minimis threshold for 2025 to 2026 is £50: [Green Gas Levy \(GGL\): rates, underlying variables, mutualisation threshold and de minimis for the 2025-2026 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-2025-2026-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-2025-2026-financial-year>>

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 scheme²⁴. 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, which can also cause fluctuations in the sum of quarterly levy payments collected. One supplier has been determined to be provisionally exempt for Scheme Year 4.

Notably, the sum of quarterly levy payments paid by scheme suppliers fell significantly in quarter 2 of Scheme Year 3 in comparison to previous quarters. This was due to a reduction in the levy rate from quarter 2 onwards in Scheme Year 3²⁵.

In quarter 4 of Scheme Year 4, the sum of quarterly levy payments collected was £2,428,945.76. This is a slight increase on the £2,362,805.12 collected in the previous quarter.

²⁴ [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>>

²⁵ [Green Gas Levy \(GGL\): rates and exemptions](https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions):
<<https://www.gov.uk/government/publications/green-gas-levy-ggl-rates-and-exemptions>>

Figure 5: Scheme suppliers and levy payments made

	Number of scheme suppliers ²⁶	Number of provisionally exempt scheme suppliers	Number of active scheme suppliers ²⁷	Levy payments received
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
Q3 SY4 (Oct to Dec)	77	1	69	£2,362,805.12
Q4 SY4 (Jan to Mar)	65 ²⁶	1	43	£2,428,945.76

²⁶ A scheme supplier is a licensed gas supplier who is a fossil fuel supplier. The number shown includes all suppliers licensed at any point during the quarter, the number licenced at the end of the quarter could be different (Note, for the most recent quarter the number quoted excludes any exempt suppliers and new gas supply licence holders who have not yet started to supply. We aim to update the number of scheme suppliers prior to the most recent quarter, in line with this methodology, in due course).

²⁷ 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 the GGSS Regulations to publish information about certain defaults on the Green Gas Levy default register.²⁸ Depending on the nature of the non-compliance, we may also deem it appropriate to add details to the Supplier Performance Report (SPR).²⁹ 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.

Details of the instances of supplier non-compliance identified in this quarter are shown below. These are split into legislative non-compliances (where a supplier has failed to comply with a requirement in scheme legislation) and administrative non-compliances (where a supplier has failed to comply with a requirement set by Ofgem).

Legislative non-compliances

Failure to make a Levy payment by the statutory deadline

- **Rebel Energy Supply Limited** failed to make their levy payment by the deadline. Payment was received the day after the deadline and a day's late payment interest was requested and to date has not been paid. This instance of non-compliance was added to the GGL Default Register and to the SPR.

Failure to confirm Meter Point Data by the statutory deadline

- **Flogas Enterprise Limited, Flow Energy Limited and Opus Gas Supply Limited** did not confirm their meter point data to us before the relevant deadline. These incidents of non-compliance have been added to the SPR.

²⁸ [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>

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

Administrative non-compliances

Failure to respond to a request for information within the deadline

- Having up to date bank account details is essential to ensure that Ofgem can meet its statutory deadline to return excess credit cover and interest accrued to suppliers by 31 March. **Foxglove Energy Supply Limited** received 2 entries in the SPR for failing to meet the initial, or subsequent deadlines relating to the provision of bank details.
- Having up-to-date supplier contact details is vital for the scheme's success, as without these important scheme communications may be missed. **Square 1 Energy Limited** failed to provide updated contact information by the deadline set. When asked, **Square 1 Energy Limited** provided an adequate plan to address the issue and prevent a reoccurrence. This incident of non-compliance has been added to the SPR.

Failure to provide a Standby Letter of Credit (SBLC) within the deadline

- After informing us that they planned to use a Standby Letter of Credit to meet their obligation, **Gas Plus Supply Limited** were due to provide this on or before 24 March. They failed to do so and provided credit cover in the form of cash on 24 March, proceeding to provide the SBLC on 25 March 2025. The supplier was entered onto the SPR for the administrative burden required to resolve the issue. It should be noted that Gas Plus Supply Limited paid their obligation in full and on time and have therefore not been added to the GGL Default Register or the SPR for non-payment of their credit cover obligation.

Failure to make a Credit Cover payment to the correct bank account

- **Utilita Energy Limited** paid their Credit Cover top up into the Levy Payment bank account, resulting in an administrative burden to correct the mistake. They have been added to the SPR for this error but it should be noted that Utilita Energy Limited paid their obligation in full and on time and have therefore not been added to the GGL Default Register or the SPR for non-payment of their credit cover obligation.

Notable area of improvement

- **Provision of bank details** - Last year, 9 suppliers missed the deadline to provide their bank details, which are necessary for us to return excess credit cover and accrued interest. We improved the process by making it easier for suppliers to submit this information and by clearly stating the consequences of non-compliance in our request for information and in our mid-year review letter. As a result, the number of non-compliant suppliers dropped from 9 to one.