



# Anaerobic Digestion and Biogas Association

## Decarbonising the electricity and gas grid

Rachel Fletcher  
Ofgem

BY EMAIL

24 February 2011

Dear Rachel,

### **Gas Distribution Price Control Consultation**

Thank you for meeting us last week. I am writing to confirm our discussion and feed in some thoughts from ADBA on the Gas Distribution Price Control.

As ADBA has argued in our submissions and statements on the RHI, biomethane upgrading from AD for grid injection represents the best use of biogas from both a climate change and energy security perspective. This is supported by a Carbon Trust report published in March 2010, a report published by the ENA on the gas grid shortly before Christmas and reports produced by The Committee on Climate Change. Therefore, minimising barriers to make this viable in as many cases as possible should be a priority. We welcome Ofgem's interest in this.

The suggestion to require greater reporting from GDNs on the volume of biomethane being injected into the grid, and how and where to connect to grid, is helpful. A common guide on this would be very useful to potential biomethane producers and would tie in well with the general Best Practice scheme for AD which ADBA has started to develop. We would be very happy to contribute to this work and coordinate our members' views on it.

We also welcome the concept of an innovation fund for trialling technology including for biomethane. One issue which we would be keen to see explored and addressed is that of propane addition to biomethane to enhance its calorific value to match that of natural gas; how this can be made as efficient as possible and the extent to which it can be abated by mixing with natural gas in the grid. As propane is a fossil fuel, it significantly detracts from the otherwise renewable nature of biomethane.

The Anaerobic Digestion and Biogas Association Limited  
Canterbury Court, Kennington Park Business Centre  
1-3 Brixton Road  
London SW9 6DE

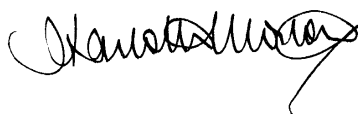
Tel: 0844 292 0874  
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ADBA believes the following areas also need consideration:

- The capacity to move gas from the low to high pressure network. This would allow the high pressure network effectively to be used for storage, which would increase the number of locations where biomethane can be injected to the grid. Creating this capacity would also help deal with the issue of excess production during the summer months.
- Socialising grid connection costs. This idea should have full and careful consideration. The wide variation in connection costs makes it very difficult for developers to put together business models for AD plants and makes some locations, which are otherwise perfect for AD/biomethane production, commercially unviable.

We look forward to working with you on these and other issues going forward. Please do let us know if there are any other specific subjects which we can help with.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Charlotte Morton', with a stylized flourish at the end.

**Charlotte Morton**  
Chief Executive

**Chris Phillips**  
Chair, ADBA Biomethane to Grid Working Group