



## PRESS RELEASE

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### Renewable gases: the great opportunity for energy self-sufficiency

The Renewable Energies Syndicate (SER) and gas grid managers – GRDF, GRTgaz, SPEGNN and Teréga – publish the 7<sup>th</sup> edition of the renewable gases overview. In France, renewable gases could make up 20% of gas consumption by 2030. Potential exists in the sector. Nevertheless, the current economic and regulatory framework is holding back growth in this promising sector, which will be essential for France's self-sufficiency in energy and its achievement of carbon neutrality targets. Even so, more than 1000 projects are currently in development, and could soon become a reality. For this ambition to find its place in the next Long Term Energy Schedule (PPE), the SER and gas operators are calling for the immediate implementation of proactive measures to accelerate the boom in renewable gases.

Jean-Louis Bal, Chairman of the SER, says: *“Renewable gases produced in France are a sustainable and rapidly deployable alternative, to reduce our energy dependency. If the State speeds up the processing of the files in its departments’ in-trays, and if it guarantees a stable support mechanism, we’ll see a fast acceleration in the number of new projects. Under such conditions, renewable gases could make up 20% of our gas consumption in 2030.”*

#### Methanisation: a trend worthy of fast expansion

Development of the biomethane sector continued in 2021, with more than 150 new methanisation sites being brought online. That development is part of a desire to achieve sustainability via a number of initiatives: labelling, progress contracts, training, dialogue with stakeholders. By the end of last year, installed injection capacity across the 365 methanisation sites was above the target of 6 TWh biomethane injected, set by the PPE for 2023. These great results are encouraging, but must not be allowed to mask the slow-down in new projects since the change in the economic climate that started at the end of 2020. The base target of 14 TWh in 2028 is achievable in 2023, if simple and proactive measures are brought in quickly.

#### A set of essential and ambitious measures for a change of scale

The commissioning of more mature projects, particularly by cutting down the time needed to obtain administrative authorisations, and taking rising inflation and the costs of raw materials into account, are simple levers to release the potential of renewable gases. To keep the drive going, the introduction of new support mechanisms – without any impact on the State budget – is needed more than ever before. A decree covering biogas production certificates, imposing a requirement on suppliers to incorporate a minimum level of green gas into their portfolios, should be published by the end of March. A mechanism covering calls for tender for plants of more than 25 GWh/year is also needed to strengthen the current trend, while we wait for the full effects of biogas production certificates to be felt.

#### An economic and regulatory framework which is needed to support the rise in hydrogen and other renewable gases.

Measures on the production and use of hydrogen (H<sub>2</sub>), announced as part of the *France Relance* and *France 2030* recovery plans, support France's hydrogen development ambitions. While the order relating to H<sub>2</sub>, published in February 2021, constitutes a significant step forward, the precise mechanisms for the certification and traceability of that renewable energy have yet to be defined to get the drive fully under way.

Calls for projects to support renewable and low-carbon H<sub>2</sub> production by electrolysis are bound to increase in number throughout France.

Alongside that, the pyro-gasification for injection and the hydrothermal gasification sectors require support mechanisms suited to those particular technologies.

#### **About GRDF**

**GRDF**, the main gas distribution network manager in France, distributes gas every day to more than 11 million customers for heating, cooking and transport, whoever their supplier may be. To do that, and in accordance with its public service missions, **GRDF** designs, builds, operates and maintains the largest distribution network in Europe (202,759 km) in more than 9,500 communes, guaranteeing the safety of people and property, and the quality of that distribution. Gas is a modern form of energy, readily available, economical, and increasingly environmentally friendly. With the advent of green gas, a locally produced renewable form of gas, the gas network is now an essential link in the ecological transition. **GRDF** has established itself as an essential partner for territorial authorities to support them in their move to carbon neutrality through their policy choices on energy and sustainable mobility.

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#### **About GRTgaz**

**GRTgaz** is the 2<sup>nd</sup> largest European gas transporter, boasting 32,500 km of pipelines and 640 TWh of gas transported. The business employs 3000 staff and achieved a turnover of nearly 2.3 billion euro in 2020. GRTgaz has a mission statement that runs: "Together, we make possible an energy future that is safe, affordable and climate neutral". An innovative business undergoing profound transformation to adapt its grid to the new ecological and digital challenges, GRTgaz is committed to a 100% carbon neutral gas mix in France by 2050. It supports the hydrogen and renewable gas (biomethane and gas from solid and liquid waste) industries. GRTgaz carries out public service missions to guarantee security of supply to its 945 customers (shippers, distributors, industry, power stations and biomethane producers). With its subsidiaries Elengy, the European leader in methane tanker terminals, and GRTgaz Deutschland, operator of the German MEGAL transport grid, GRTgaz plays a key role on the European stage. The business exports its expertise internationally, particularly those services developed by its research centre, RICE.

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#### **About SPEGNN**

**SPEGNN**, a professional syndicate of local gas businesses, comprises around thirty local, public or cooperative businesses, operating as managers of public distribution grids, gas suppliers or gas producers. The syndicate and its members are involved in building a competitive, safe and carbon-neutral energy system, mobilising local potential to develop renewable gases. **SPEGNN** members, stakeholders in the energy transition in their territories, work hard to create short-circuit models and local jobs.

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#### **About SER**

The **Renewable energies syndicate** (SER) has 450 members, representing a sector that generates employment for more than 150,000 people. It is a professional organisation bringing together industrial players from all renewable energy sectors: wood energy, biofuels, wind power, marine energy, renewable gases, geothermal and heat pumps, hydroelectricity, solar power and energy recovery from waste. The **SER's** mission is to uphold the rights and interests of its members and to tighten the bonds between them, particularly to develop the renewable energy industry in France and promote job creation and added value across the country.

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#### **About Teréga**

Established in South-West France, at the crossroads between major European gas flows, Teréga has exercised exceptional expertise for over 75 years in the development of gas transport and storage infrastructures. Today, it continues to develop innovative solutions to overcome the major energy challenges facing France and Europe. A true accelerator of the energy transition, Teréga operates over 5,000 km of pipelines and 2 underground storage reservoirs representing 16% of the French gas transport grid and 26% of national storage capacities. In 2020, the company generated revenues of €476 million and it has more than 660 employees.

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