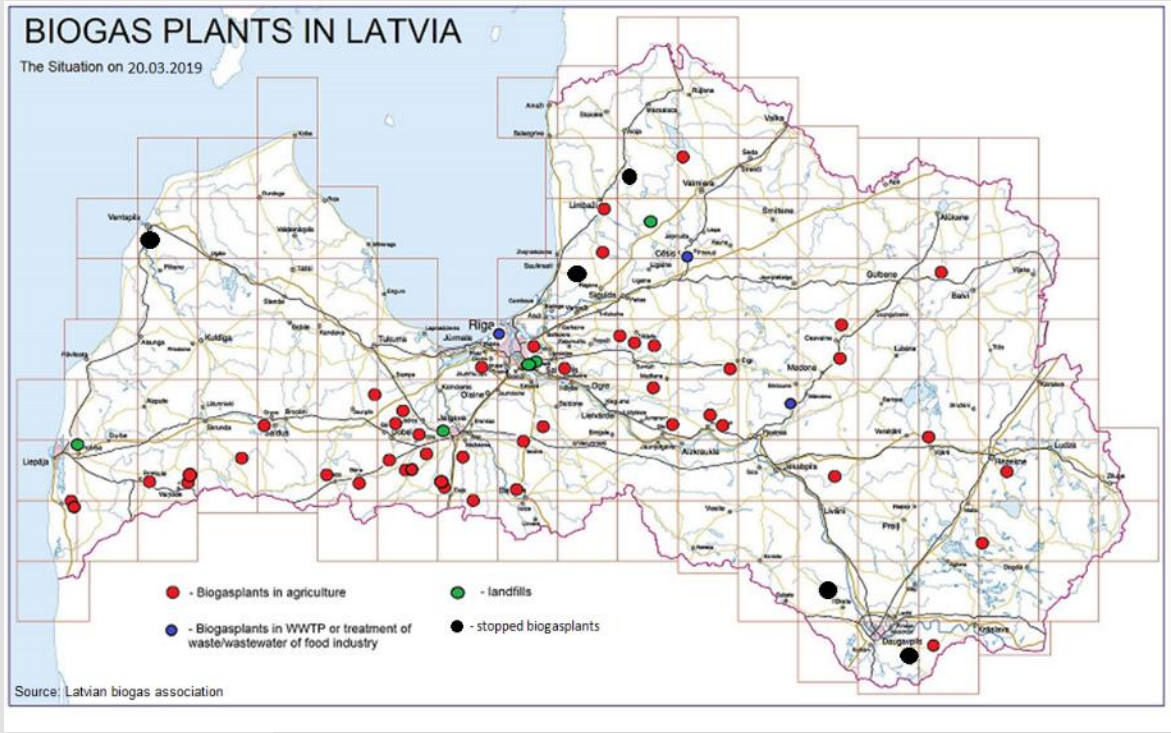

conexus BALTIC GRID

# Biomethane in Latvia
# Estonian Biomethane Council meeting
# 21.02.2022

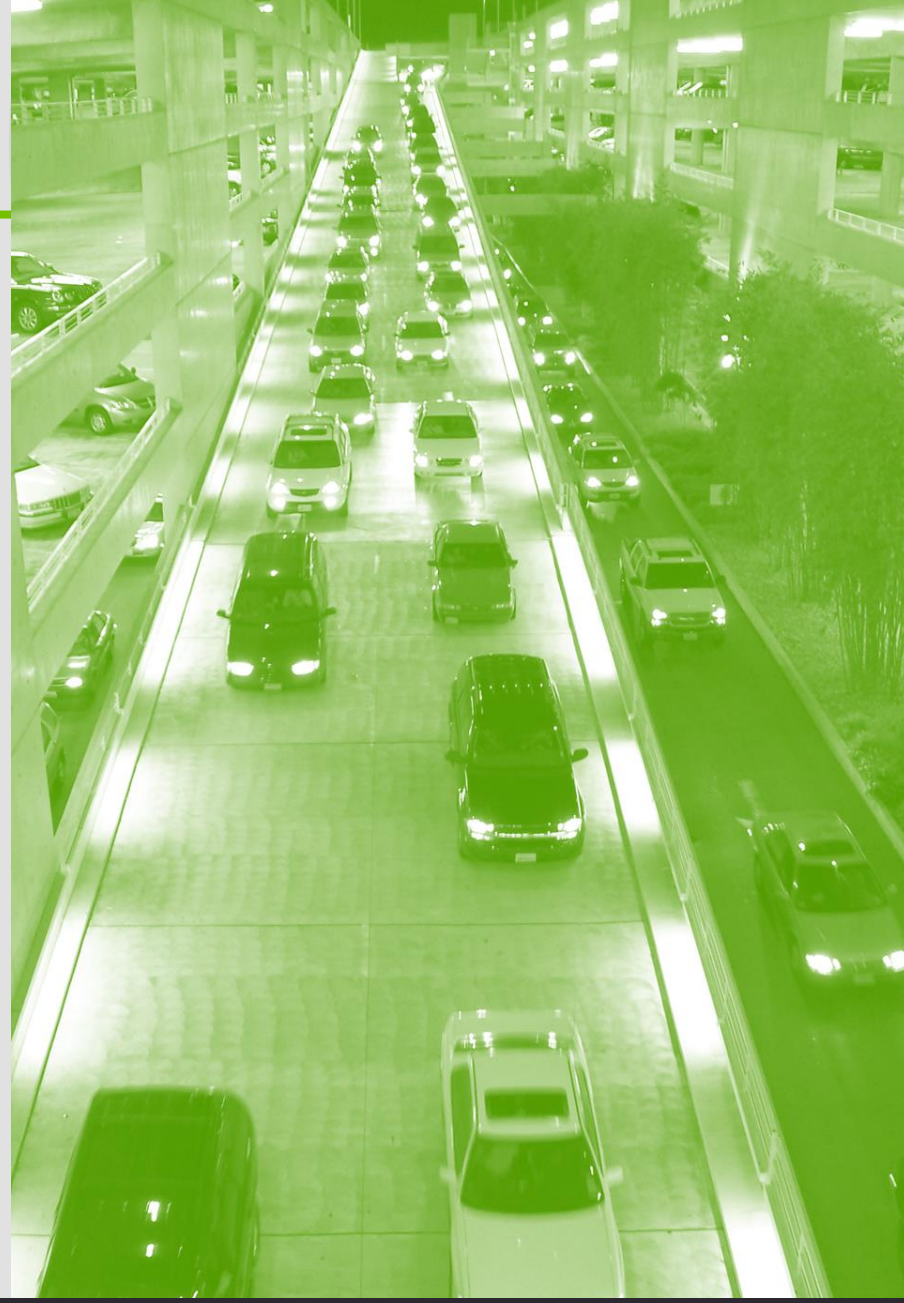
# Biogas production in Latvia

- In 2019 - **53** biogas plants; in 2020 – **49** biogas plants
- In 2019 total electrical capacity (51) **61 MW**; in 2020 – **56 MW**
- Average electrical capacity 0,5 - 2 MW
- Largest biogas plant in Latvia is located in landfill (electrical capacity 6.3 MW)
- 315,69 GWh of electricity was produced in 2019 (around 153 mil. $m^3$ biogas)
- 1 biomethane plant works in «test regime» for self consumption. Biomethane is used as fuel for agricultural machinery



# Biomethane potential in Latvia

- Biomethane potential from active biogas plants (2020) 3.07 PJ (ca. 930 GWh)
- Transport energy consumption in Latvia, (2019) 54.3 PJ
- Existing biogas plants can produce 5.6% of total transport energy consumption



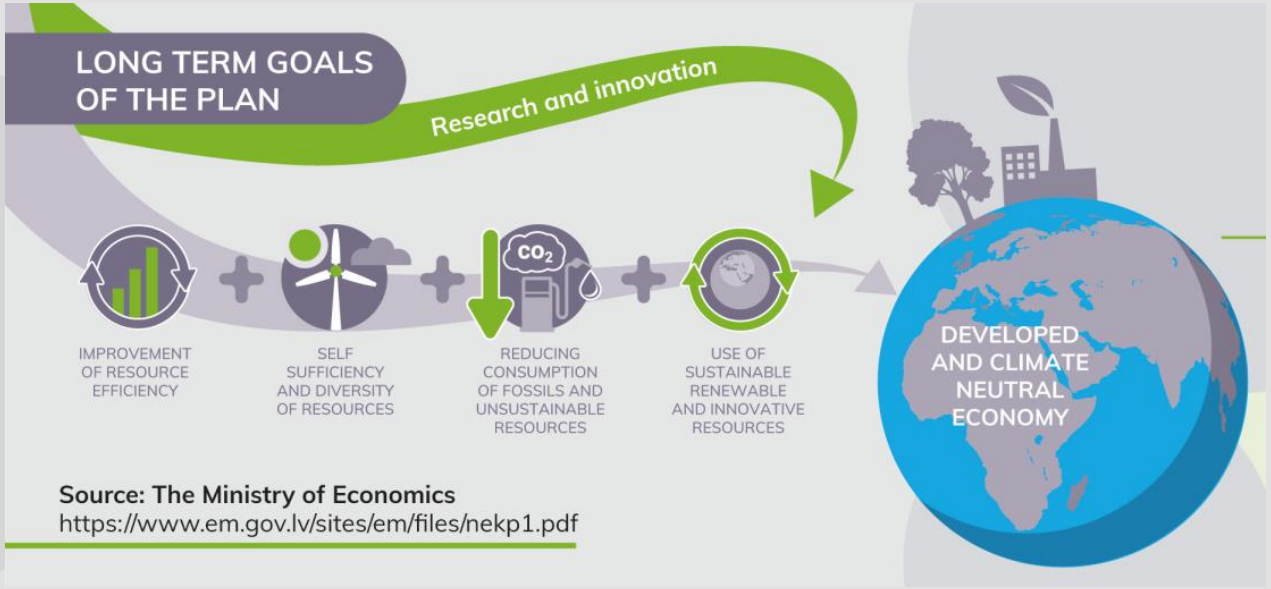
Source: A.Kārkliņš, Latvian Biogas Association (2020) ; O. Ķiecis JSC «Latvijas Gāze» (2021)

# Main regulatory framework for biomethane in Latvia

## ENERGY LAW

Since April 2021, Amendments to the Energy Law are being drafted, covering (among other) a number of issues relating to the issuance of guarantees of origin for renewable gas.

## NATIONAL ENERGY AND CLIMATE PLAN (2021-2030)




Latvia has set a goal to ensure that, in 2030, 50% of the consumed energy is derived from renewable sources, as well as to reduce GHG emissions by 65% (compared to 1990).

# What is needed for Conexus Baltic Grid to become a GO issuing body?

**1**

**OFFICIAL APPOINTMENT OF GO ISSUING BODY**

Mandate that appoints GO issuing body defined in the Energy Law

**2**

**GO REGISTRY**

IT system (prepares, issues, transfers, cancels IA)

**3**

**DETAILED LEGISLATION**

The law contains an indication on rules or regulations of the Cabinet of Ministers

**4**

**INTERNAL RULES AND PROCEDURES**

Also harmonization of processes with the Baltic and Finnish gas TSOs

**5**

**PARTICIPATION AND EXCHANGE OF EXPERIENCE IN AIB**

Gaining full membership in the Association of Certification Authorities of Origin

# What affects the development of biomethane and what is needed to develop it?

**1**

**TECHNICAL SOLUTIONS**

Biomethane producers;
Connection options,
technological maturity

**2**

**REGULATORY FRAMEWORK/POLICY**

Clear national regulation and biomethane development plan; public readiness

**3**

**MARKET MECHANISM**

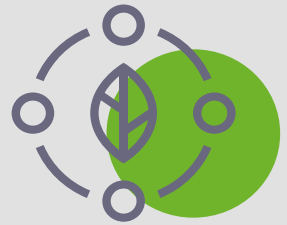
State aid policy for biomethane production and / or consumption;
Guarantee of origin system

# Conexus Baltic Grid work towards biomethane development

1. Work on **gas quality requirements.** Proposals provided to the Ministry of Economics regarding gas quality, to ensure that biomethane with higher oxygen content is accepted in transmission system.

2. Study on TYNDP project «**Implementation of smart solutions for injection of renewable gases**». 15 biogas plants are close to the transmission system which can be connected directly to the transmission grid. For other plants which are far away from gas grid, an alternative solution should be offered - possibility to inject biomethane via off-grid solutions. The project will start with a feasibility study to determine economically justified locations for off-grid injection.

3. Work on researching questions related to gas GOs – **with Baltic-Finnish TSOs; in EU level organisation; submitted proposals to the policy makers**. Currently missing legal mandate from government to become GO issuing body.



# Future opportunities and challenges

1. **Development of biomethane** (challenge - public policy, support to policy makers, cooperation with other gas transmission system operators);

2. Potential function of **GO issuing body**.

3. Opportunity – market driven biomethane market with common and harmonised on grid and off grid biomethane GO solutions.

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