



Flexible Energy Balancing for Biogas

BGM Customer Event

Agenda

1. Facts and figures
2. Rules and regulations governing flexible energy balancing for biogas
3. Balancing period/
linking of biogas balancing groups
4. flexibility range

Facts and figures

- **113 biogas balancing group managers (BGMs)**
 - thereof 104 biogas master balancing group managers (MBGMs)¹
- **110 biogas master balancing groups (MBGs)**
 - thereof 60 active; 50 inactive¹
- **2024:**
 - ≈ 11 TWh of biogas quantities physically fed into the system
 - 1.2% (ratio of biogas quantities physically fed into the system to total physical quantities fed into the system)
 - 523 GWh (transfer of flexibility range for 2024 CY balancing period)

¹ as of 10/2025

Rules and regulations governing flexible energy balancing for biogas

- Sec. 20 (4) of the German Energy Industry Act (EnWG)
- Sec. 35 of the Gas Network Access Ordinance (GasNZV)²
- Annex 2 (Supplementary Energy Balancing Provisions for Biogas in the Market Area) to Appendix 4 “Balancing Group Contract Terms & Conditions“ of the Agreement on Cooperation between Operators of Gas Supply Networks (KoV XIV)
- BDEW/VKU/GEODE Best Practice Guidelines for Gas Balancing Group Management - Part 1
- BDEW/VKU/GEODE Best Practice Guidelines for Biogas Balancing

²The ordinance will expire on 31 December 2025. The GaBi Gas 2.1 decision of 12 September 2025 includes elements of GasNZV provisions, including those relating to gas balancing (and biogas balancing). From 1 January 2026, the twelve-month balancing period for the special biogas balancing group contract will be the calendar year.

Balancing period/Linking of biogas balancing groups

Balancing period for biogas balancing groups

- Usually 12 months
- The first balancing period may be shorter than twelve months

Linking of biogas balancing groups

- Linked Biogas Subordinate Balancing Group (Biogas-SBG) must have the same balancing period end
- The start of the balancing period of the Biogas-SBG may vary (“short balancing period”)
- Flexibility and balances are added up uniformly to the Biogas Master Balancing Group (Biogas-MBG)
- Flexibilities and balances may be transferred only between Biogas-MBG
- Receivables or liabilities are only settled with the master balancing group manager (MBGM)³
- A Subordinate Balancing Group Manager (SBGM) is entitled to apply for direct payment of the balancing neutrality charges and conversion neutrality charge (thus SBGM becomes a MBGM for these charges)⁴
- In the event of outstanding claims by THE against the Master Balancing Group Manager all Subordinate Balancing Group Manager/s will only be liable to the amount of the receivables attributable to its/their Balancing Group/s. (Direct payment: not applicable to balancing charges and conversion charges)⁵

^{3,5} Sec. 17 Linking of balancing groups as per Appendix 4 of the Agreement on Cooperation between Operators of Gas Supply Networks (KoV)

⁴ Sec. 17a Direct Payment for Subordinate Balancing Group Managers of Affiliated Balancing Groups as per Appendix 4 of the Agreement on Cooperation between Operators of Gas Supply Networks (KoV)

Linking of biogas balancing groups

Balancing subgroup (BSG):

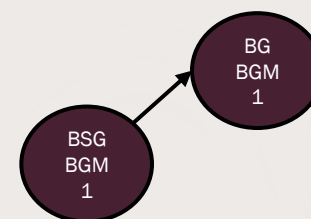
- A balancing subgroup is an account registered as part of a balancing group which allows the BGM to allocate inputs and offtakes to individual shippers and/or to maintain a clear overview of certain quantities. There is no contractual relationship between THE and any third-party user of the BSG (e.g. within an allocation authorization)

Subordinate balancing group (SBG):

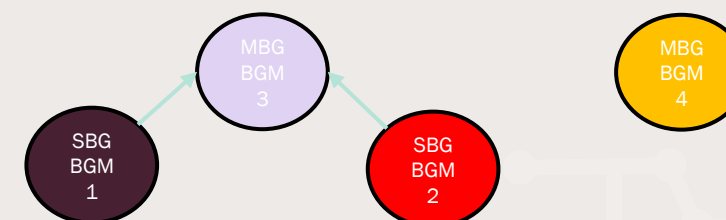
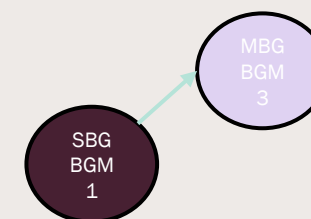
- Any balancing group linked to a master balancing group. For this type of balancing group, all relevant balances are determined as usual but are then transferred to the corresponding master balancing group and not invoiced directly to the balancing group manager who has registered the subordinate balancing group.

Master balancing group (MBG):

- A balancing group in which the energy imbalances of other, subordinate balancing groups are collected, netted and, ultimately, invoiced. Standalone balancing groups which are not linked to any subordinate balancing groups are also treated as master balancing groups.



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Marktgebiet				Kennz. Bilanzkreis	Art + Kapazitätstyp	Gasqualität	Individuelle Nummer (Stelle 8: Art des Kapazitätsentgelts)					Subkontonummer				Beschreibung
T	H	E	0	B	F	H	1	1	2	3	4	0	0	0	0	H-Gas Bilanzkreis
T	H	E	0	B	F	L	1	1	2	3	4	0	0	0	0	L-Gas Bilanzkreis



Source: BDEW/VKU/GEODE Best Practice Guidelines for Gas Balancing Group Management - Part 1

Flexibility range (1)

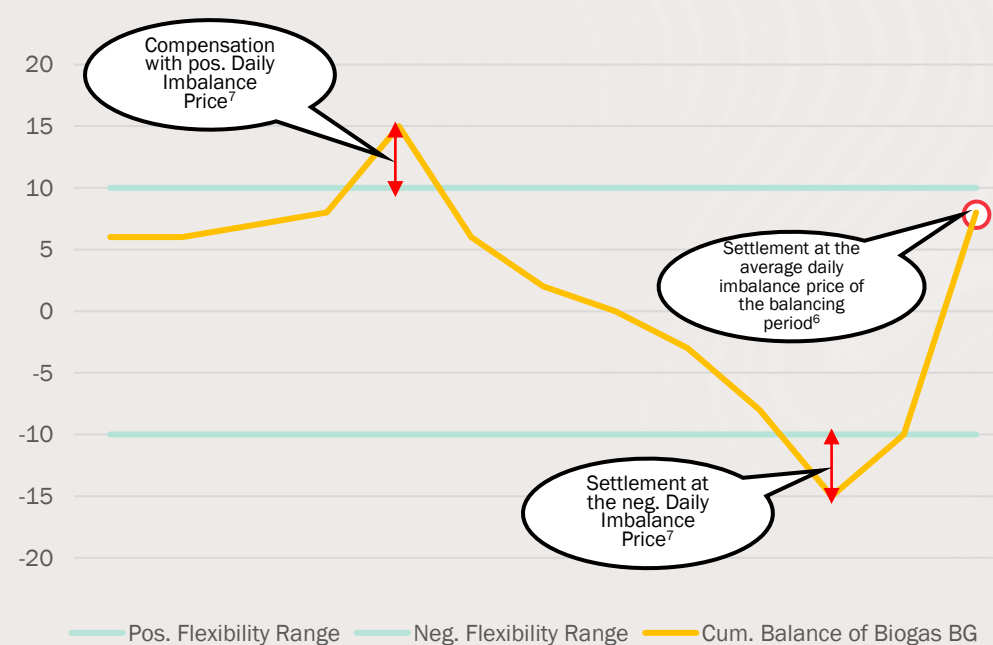
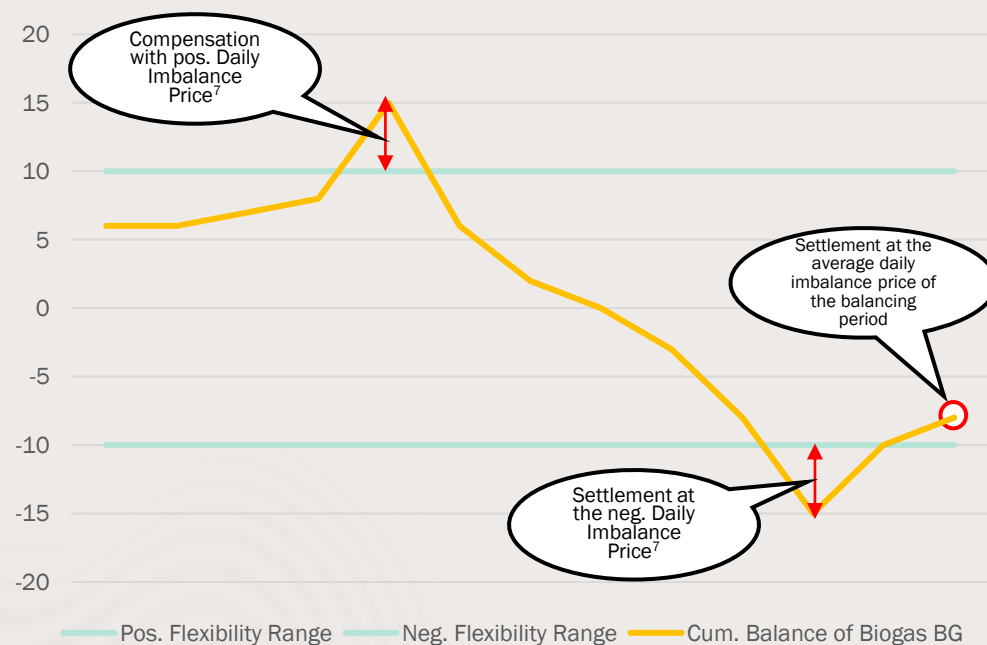
- A flexibility range (25% of the physical biogas inputs) is granted during each Biogas Balancing Period
- This flexibility range will be applied to the cumulative difference between the quantities delivered to and offtaken from the relevant Balancing Group during each Biogas Balancing Period
- Flexibility and balances are transferred from the Subordinate Balancing Group (SBG) to the Master Balancing Group (MBG)
- The cumulative balance of the biogas balancing group must not exceed the flexibility framework at any time
- Any daily imbalances exceeding the flexibility range will be settled financially based on the applicable Daily Imbalance Prices (sell/buy price) at the end of the Biogas Balancing Period (reduced balance will be continued)
- After the end of the balancing period, the transfer of unused flexibilities between MBG with an identical ending of the balancing period is possible
- A Negative “Cumulative Biogas Imbalance” at the end of the balancing period will be invoiced with the average of all Daily Imbalance Prices applicable during the relevant Biogas Balancing Period
- A "Positive Cumulative Biogas Imbalance" (within the Flexibility Range) at the end of the balancing period is regularly transferred to the end of the following balancing period or, if requested, credited with the average of all Daily Imbalance Prices applicable during the relevant Biogas Balancing Period
- The fee for the used flexibility range is 0.001 €/kWh

Flexibility range (2)

- From the day +2Months - 4 Working Days after the end of the balancing period, the “Flex-Exchange Period” (20 Working Days) starts
- Initial value (absolute flexibility) is calculated by THE and made available to the BGM
- THE sets up a flexibility account for each MBG of a MBGM (transfer allowed only between MBGs with identical balancing period end)
- BGM may transfer not more flexibility than the daily starting value of the flexibility account within the 20 Working Days
- Following the end of the 20 Working Days, THE informs the BGM of the final status of the flexibility account
- Invoicing of Master Balancing Group: After the end of the “Flex-Exchange Period” based on the final flexibility range



Flexibility range (3)



⁶ The positive BG balance (within the flexibility range) at the end of the balancing period is regularly carried over to the end of the next balancing period or, at the request of the BGM, remunerated at the average energy imbalance price from the MAM.

⁷ Please note that the German "positiver Ausgleichsenergiepreis" is translated as "negative imbalance price" and "negativer Ausgleichsenergiepreis" as "positive imbalance price" in English.

Thank you.



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