



Flexible Energy Balancing for Biogas

BGM Customer Event

October 2025

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 60 active; 50 inactive¹

2024:

- ≈ 11 TWh of biogas quantities physically fed into the system
- $\approx 1.2\%$ (ratio of biogas quantities physically fed into the system to total physical quantities fed into the system)
- 523 GWh (flexibility carried over for the 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

² The 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 can be a truncated period of less than twelve months

Linking of biogas balancing groups

- The balancing periods of interlinked subordinate balancing groups (SBG) for biogas must end at the same time
- The start of the balancing period of the SBG for biogas may vary (truncated balancing period)
- Flexibilities and balances are applied uniformly across the biogas master balancing group (biogas MBG)
- Flexibilities and balances can only be transferred for biogas MBGs
- Receivables or liabilities are only settled with the master balancing group manager (MBGM)³
- Subordinate balancing group managers can apply for direct payment regarding balancing neutrality charges and conversion neutrality charges and become the master balancing group manager with respect to such charges⁴
- The subordinate balancing group managers' liability for any outstanding receivables of the MAM vis-à-vis the MBGM is limited to the amount of the receivables accruing for their respective balancing groups. (Direct payment: balancing neutrality charges and conversion neutrality charges are exempt from this rule)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):

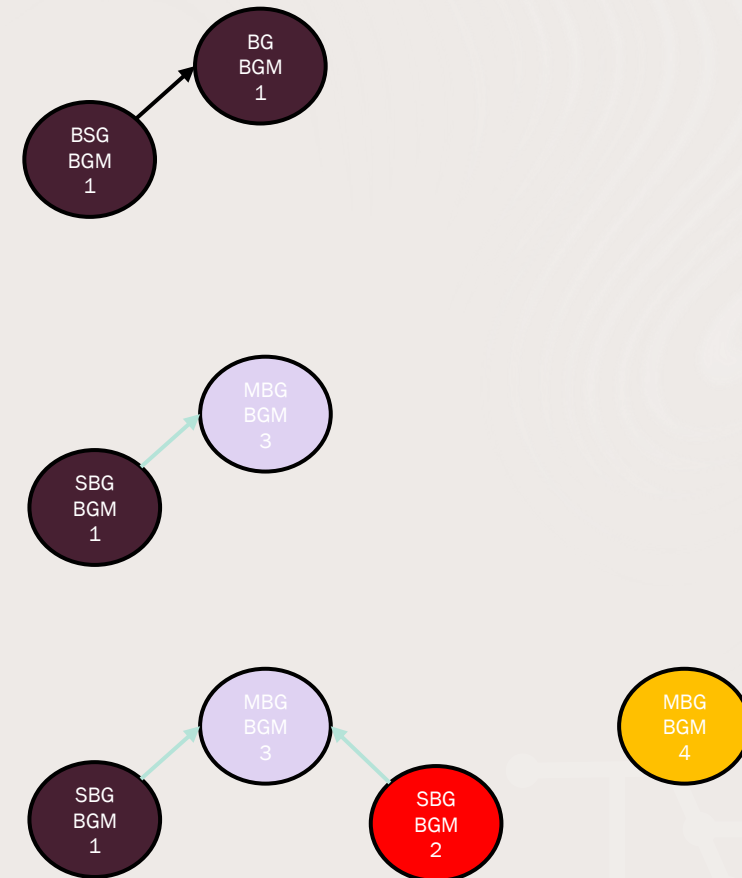
- The balancing subgroup is an account registered as part of a balancing group which allows the BGM to allocate input and output quantities to individual shippers and/or to maintain a clear overview of partial quantities. There is no contractual relationship between the MAM and any (external) user of the balancing subgroup, e.g. as part of an allocation authorisation.

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



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

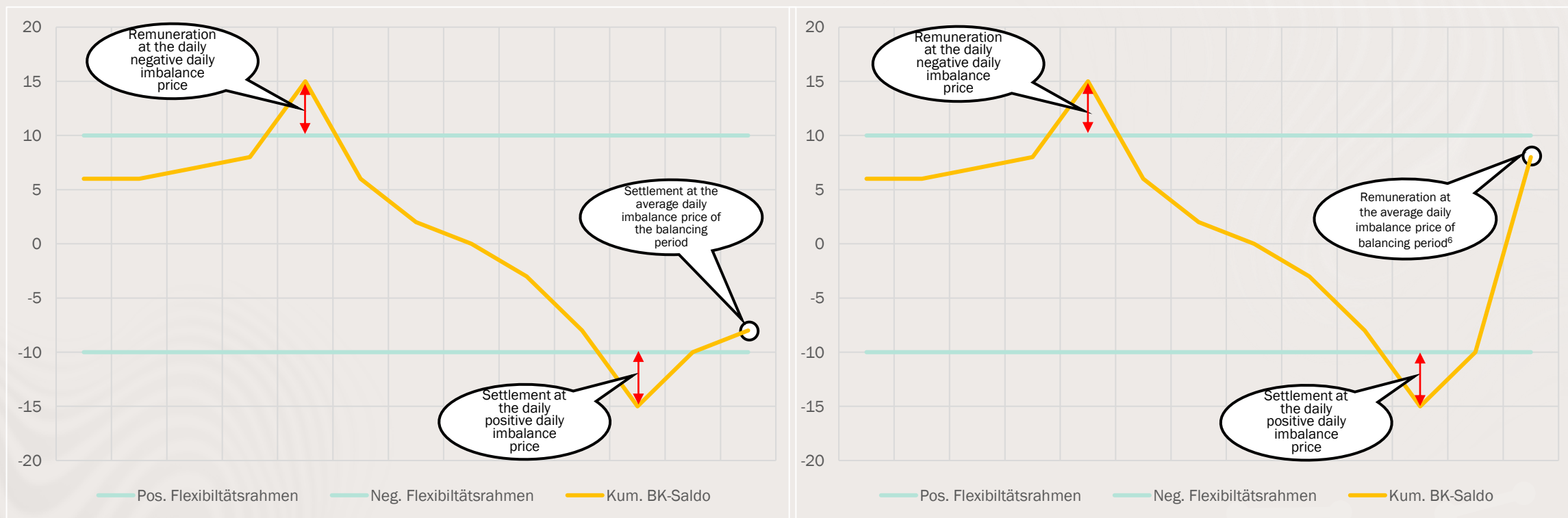
Flexibility range (1)

- Flexible energy balancing is granted for 25% of the physical biogas volumes fed into the system within the balancing period
- The flexibility range refers to the cumulative BG balance from input and offtake quantities within the balancing period
- Flexibilities and balances are transferred from the SBG to the MBG
- The cumulative balance of the biogas balancing group must not fall outside the flexibility range at any time
- Any daily deviations exceeding this range are settled at the end of the balancing period at the respective daily energy imbalance prices (selling/purchase price) (reduced balance is carried forward)
- After the end of the balancing period, unused flexibilities may be transferred between MBGs for which the balancing period ends at the exact same time
- A negative BG balance at the end of the balancing period is settled by the MAM at the average energy imbalance price (arithmetic mean of all daily positive and negative daily imbalance prices) for the balancing period
- A positive BG balance (within the flexibility range) at the end of the balancing period (BP) is regularly carried over to the end of the next BP or, at the request of the BGM, remunerated at the average daily imbalance price (arithmetic mean of all daily positive and negative daily imbalance prices) for the balancing period
- The fee for the flexibility range is € 0.001 per kWh of flexibility actually used

Flexibility range (2)

- The 'flex swap period' (20 BD) begins on day +2M-4BD
- The initial value (absolute flexibility) is determined by the MAM and communicated to the BGM
- The MAM opens a flexibility account for each BGM in every biogas MBG (quantities may only be transferred between MBGs with identical balancing periods)
- The maximum flexibility the BGM can transfer per day within 20 BDs is the daily starting value of the flexibility account
- At the end of the 20 BDs, the MAM informs the BGM of the final balance of the flexibility account
- The biogas MBG is settled at the end of the 20 BD period on the basis of the final balance of the flexibility account

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.

Thank you!



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