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## **EBA's call for a fair fossil fuel comparator for biomethane**

Ahead of the new EU Sustainability Policy for bioenergy and the revision of the Renewable Energy Directive, the European Biogas Association (EBA) strongly urges the European Commission to reconsider its plan to modify the fossil fuel comparator (FFC) for biomethane. This is a pivotal question for the market uptake of biomethane, a renewable gaseous fuel with multiple benefits.

**We therefore request a fair benchmarking of GHG emissions of biofuels by following one of the proposals below:**

- An absolute value for greenhouse gas emissions limit (e.g.  $x \text{ gCO}_{\text{eq}}/\text{MJ}_{\text{fuel}}$ ) for all biofuels: the same emission threshold would support technology neutrality, be consistent for all areas of use and make sure the sustainability policy stays up-to-date also on a very long-term basis by just updating the emission limit, without discussions on what is replaced by what.
- Or, as the function of transport systems is to transport people or goods, the functional unit for the analysis could be passenger\*km or t\*km, independently from the energy carrier used. This approach would guarantee that the most efficient systems are rewarded. Given that gasoline, diesel or gas powered passenger cars do not differ in terms of payload, emissions per vehicle-km could be used.
- In any case if there is the need of communicating in terms of GHG savings, all biofuels should be compared to the same fossil fuel comparator. In transport sector, the average transport fuel mix could be an appropriate fossil fuel comparator. Or, as the highest-carbon fuels should be phased out first, the FFC could also be the dirtiest incumbent energy carrier

However mathematically, setting a comparator and a percentage of savings, or an absolute threshold, it is the same. It is in any case an arbitrary choice which should be technology neutral.

Natural gas, a low-carbon fossil fuel and *an alternative fuel*, cannot be used as the FFC of biomethane for three reasons:

- 1. The European Commission is called upon developing legislation which would not favour specific technologies**
  - As the aim of the Fuel Quality Directive (FQD) and the Renewable Energy Directive (RED) is the decarbonisation of the transport system, EBA would like to recall the principle of **technology neutrality** in the choice of the fossil fuel comparator to be used as reference for the GHG emission savings.

- Biomethane would be penalised if compared to natural gas in the calculation of the GHG savings for the sustainability criteria. **With different FFCs, equal GHG performance will be evaluated differently.**
  - GHG performance, as calculated according to the Directives, is an important technology-neutral evaluation tool in procurements of fuels, vehicles and transport services. Competitive neutrality is of outmost importance within these procurements. Therefore, the same FFC must be applied for all alternatives.
  - Choosing natural gas as the FFC for biomethane could ultimately lead to a situation where biomethane is outcompeted because of an **unfair policy framework** rather than equal competitive conditions.
- 2. All fossil fuels can be replaced by biomethane, depending on its usage**
- It is impossible to indicate which fossil fuel is replaced by biomethane. **When used in heavy duty vehicles, biomethane replaces diesel; when used in light duty vehicles then it is most often petrol.** The challenge in the transport sector is not to replace the small volumes of natural gas (less than 1% share in Europe) but the higher-carbon oil products which clearly dominate the market. Natural gas is another *alternative* fuel that also replaces oil products. When looking at the leading markets for biomethane in transport, it is clear that biomethane is not replacing natural gas: in Germany<sup>1</sup>, Sweden<sup>2</sup>, Finland<sup>3</sup> and Switzerland<sup>4</sup>, the consumption of both, natural gas and biomethane has steadily increased over the past years.
- 3. Comparing biomethane to natural gas is not in line with other EU legislation**
- Favouring diesel engines would be in contrast with the Directive on **air quality** (Directive 2008/50/EC), especially in view of the recent **scandal on diesel emissions** and as the local authorities struggle throughout Europe to address **local pollution**. The penalisation of biomethane would also conflict with the directive on the **deployment of alternative fuels infrastructure** (Directive 2014/94/EU).
  - Furthermore, biomethane, being produced with domestic feedstocks, provides a larger contribution to the European **security of energy supply** in comparison to other biofuels produced with a higher share of imported feedstocks.

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<sup>1</sup> The use of natural gas and biomethane has increased since 2011 annually by 2.2% on the average. Source: dena: <http://www.erdgasmobilitaet.info/umsetzungsstand/marktentwicklung-seit-der-unterzeichnung-der-absichtserklaerung.html>

<sup>2</sup> The use of natural gas and biomethane were increasing hand in hand from 1995 to 2013. Since 2014, only biomethane's use as a transport fuel has increased. Source: Gasbilen: <http://www.gasbilen.se/Att-tankpa-miljon/Fordonsgas-i-siffror/FordonsgasutvecklingSverige>

<sup>3</sup> In Finland biomethane is not blended with natural gas in transport, both gaseous fuels are therefore sold as two separate fuels that continuously increase their market shares. Source: CBG100 Suomi: <http://www.cbg100.net/products/res-t-methane-market-2015/>

<sup>4</sup> Erdgas/Biogas in der Schweiz - Le gaz naturel/biogaz en Suisse, 2016, p.16 (vehicle fuel sales): [http://www.erdgas.ch/fileadmin/customer/erdgasch/Data/Broschueren/Jahresstatistik/VSG\\_Jahresstatistik\\_2016\\_150dpi.pdf](http://www.erdgas.ch/fileadmin/customer/erdgasch/Data/Broschueren/Jahresstatistik/VSG_Jahresstatistik_2016_150dpi.pdf)

- Biomethane is the only biofuel that can valorise the energy content of organic waste and residues and **return nutrients to the soil**, therefore contributing to the **circular economy**.

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Founded in February 2009, **European Biogas Association (EBA)** is the leading European association in the field of biogas and biomethane production covering the anaerobic digestion and gasification industries. Committed to the active promotion of the deployment of sustainable biogas and biomethane production and use throughout Europe, EBA has created a wide network of established national organisations, scientific institutes and companies. In 2016, the association counted more than 90 members from all over Europe and has established co-operation with biogas associations from outside Europe.