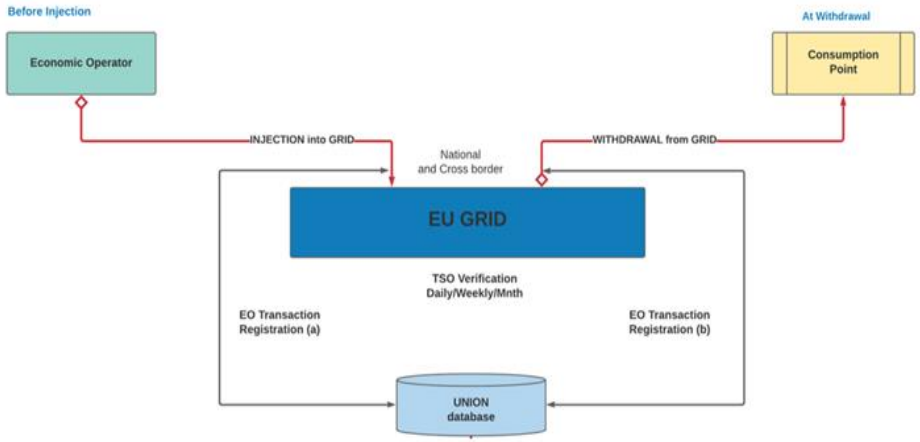
Union Database & Concept-Gaseous Supply chain

April 2024 DG ENER

Concept of Union Database (UDB) for gaseous fuels (based on article 31(a) of RED and IR on Sustainability certification)

- EU Grid as a single logistical facility from mass-balance perspective.
- Separate mass-balancing system (MBS) for local grids. Any trades between grids to be reported to UDB as a trade transaction.
- If GOs are issued for the same energy unit - transfer to UDB;
- Diverging practices in EU MSs in terms of GOs/ PoS policy, including option of opting in or out of a GOs system,
- Support an EU market approach and cross-border trade.
- Avoid any risk of double counting/ disclosure.



UDB coverage of Injection process- key steps

Step 1 **Meter reading by Economic operator (EO)/ production unit, registering in its UDB account the injected monthly volume of gaseous fuels.**

- Frequency: at least Monthly

Step 2 **Verification/ validation of monthly data to UDB- confirmed volume with issued PoSs can be traded.**

- TSOs/DSOs report (regardless of sustainable/non-sustainable volumes).

Step 3 **If GOs are issued for whole or part of the monthly volume:**

- A reference between GO registry and UDB is established through a link between the accounts of the EO in both UDB and the GO registry.
- Linked GOs can be cancelled only through UDB upon their registration or withdrawal from the MBS.
- Information from the GOs is transferred to UDB- single data set from GO & PoS contained in UDB for each energy unit.
- Option for EO to opt in or out of a GOs system in UDB- UDB & National GOs registry exchange real time data on any change in status of an EO in both systems.

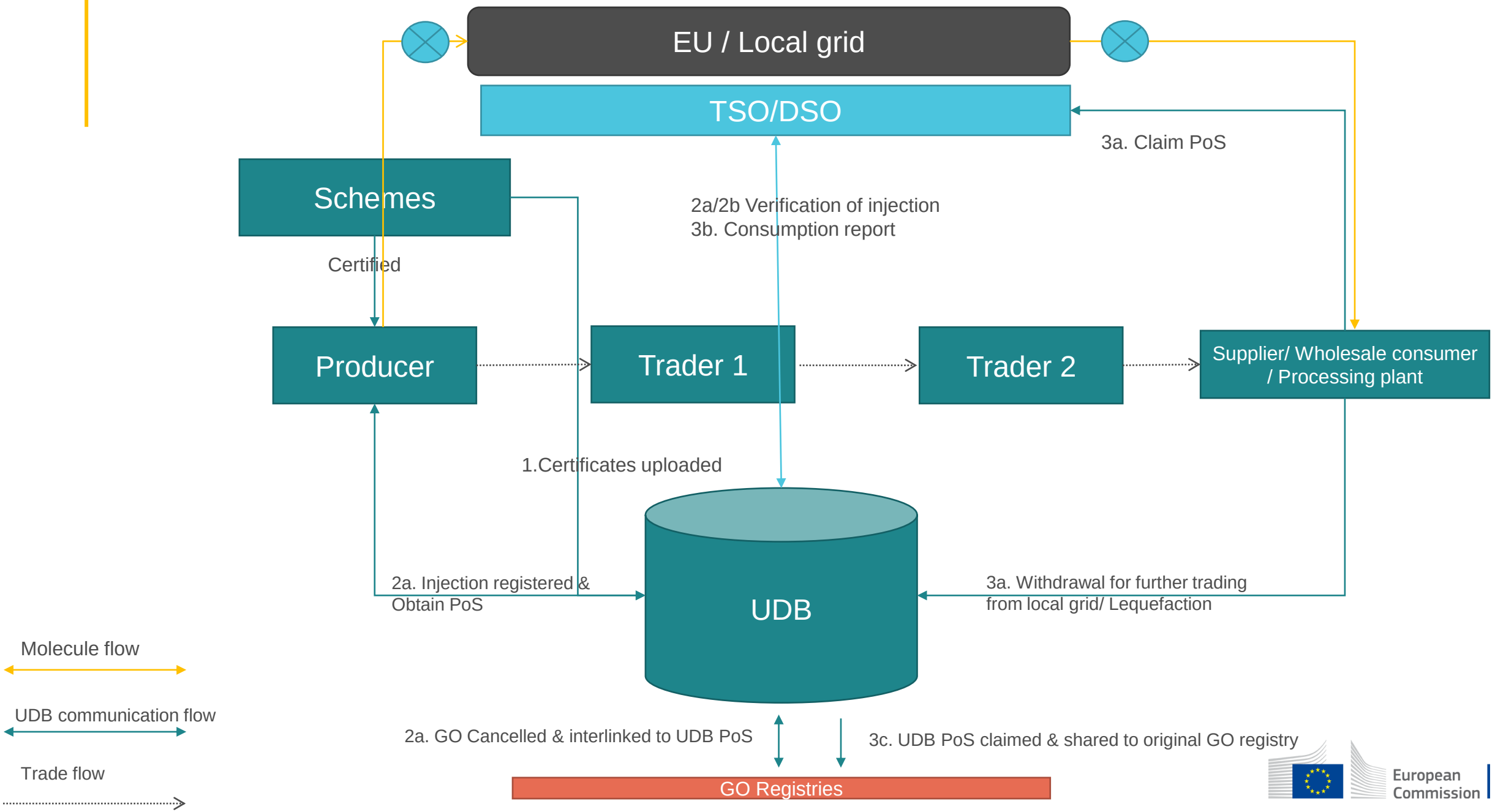
UDB coverage of Consumption process-key steps

<u>Step 1</u> Economic operator (EO)/ production unit can transfer validated PoSs to any trader's account, to a gas final supplier account or to a large industrial consumer (with individual account in UDB).

<u>Step 2</u> Consumption of energy units can be triggered by any of the EOs in possession of the PoS:

- The PoSs unique identifiers are marked as consumed and transferred to the national account of the consuming Member State in UDB.
- The EO claiming the cancellation of a PoS needs to be in a possessions of the commodity.
- If there are PoSs that have been referenced to GOs, a respective cancellation protocol is launched by informing the issuing national GOs registry. This information can be also sent to the National GOs registry of the consuming Member State if different.

<u>Step 3</u> In case a PoS of a gaseous fuel is consumed by a large industrial consumer as a raw material, further transactions will have to be registered in UDB to ensure further traceability.


EU / Local grid
TSO/DSO
3a. Claim PoS
Schemes
2a/2b Verification of injection
3b. Consumption report
Certified
Producer
Trader 1
Trader 2
Supplier/ Wholesale consumer / Processing plant
1.Certificates uploaded
UDB
2a. Injection registered & Obtain PoS
3a. Withdrawal for further trading from local grid/ Lequefaction
Molecule flow
UDB communication flow
Trade flow
2a. GO Cancelled & interlinked to UDB PoS
3c. UDB PoS claimed & shared to original GO registry
GO Registries
European Commission

Thank you

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