
INFORMATION PAPER

SPONSORING PARTY: GAS SCHEME GROUP

Title	Questions Towards DG ENER on Disclosure and technical issues on matching GO-PoS
Objective	Clarify elements that influence national system design for interaction GO-UDB

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2 SUMMARY OF THIS PAPER

This document lists questions, and where available, provides suggested answers, regarding the framework for interaction between GO registries and the Union Database (UDB).

It acknowledges that the GO registries are managed by Member states, through appointed actors known as GO issuing bodies. Therefore, this document seeks clarity regarding the roles of all parties involved in integrating of GO Registries with the UDB.

The joint operation aims to establish a clear framework that ensures reliable energy origin tracking, thereby preventing any party from being hindered in fulfilling their responsibilities.

The questions with suggested answers aim to feed the discussion between the European Commission and the GO Issuing Bodies, by pointing at areas that need clarity. It aims to invite confirmation or further reflection if there are arguments for answering the questions differently.

All questions invite proposals for answers, especially those without suggestions so far.

It is proposed that the draft answers are taken into consideration by the Commission and discussed with GO Issuing Bodies before final confirmation.

There are 15 different topics each with individual questions:

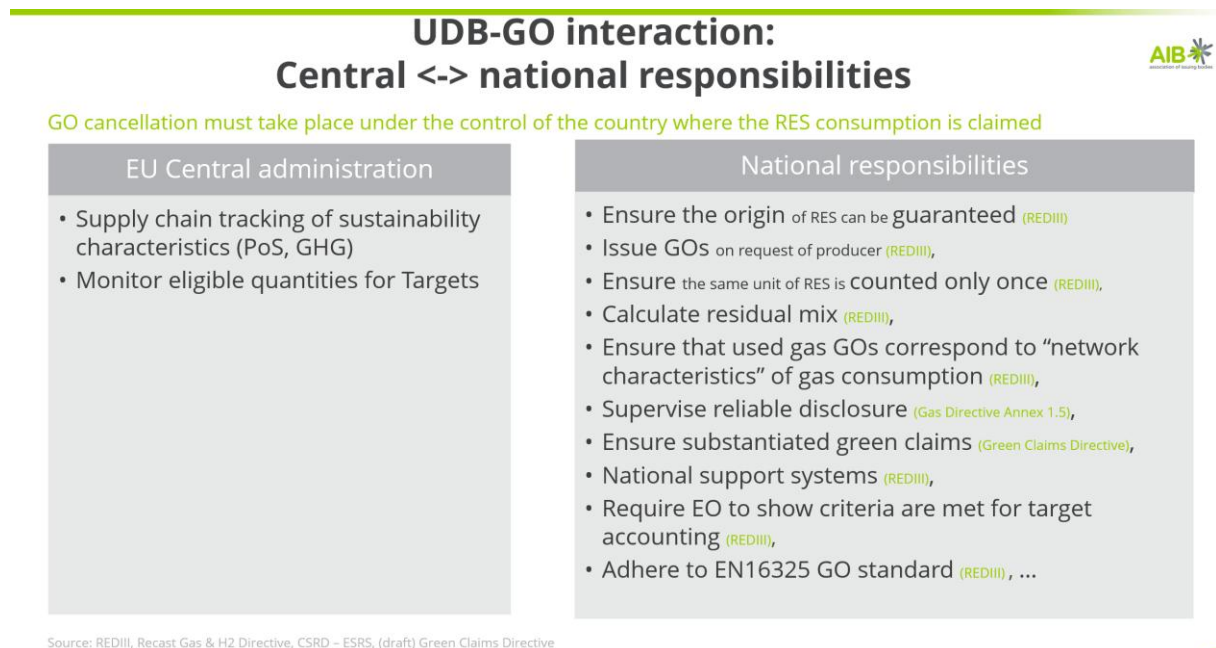
1. Where does the GO (legally) reside?
2. Control over national requirements regarding cancellation and Disclosure
3. Inconsistency for import from non-EU countries
4. Process flows: Error and Overhead work reduction
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3 INTRODUCTION

Regarding the process flow concept for the UDB-GO interaction, not all member states are in the same situation. They are in various stages of having either or not a national vision, and deal with varying national configurations internally. In AIB we are trying to categorize the various situations in a few less than 27 categories, but it is so far at least more than 1. This document is expected to be read in parallel with the document “AIB-2025-GSG-03-03 Scenarios for GO-UDB interaction” annexed, reflecting on different options for process flows regarding GO.

Member states’ design choices are depending on their understanding on some key aspects, for which there are still some unclarities. Many of those relate to the responsibilities of member states and the regulation of reliable consumption claims. The design of IT processes can only take place once the design choices based on the legal framework are confirmed. Harmonized design of IT process flows (as market parties are seeking) will benefit of acknowledging the questions and harmonized understanding of the responses.

Figure 1: Responsibilities following EU rules, delegated to the member states, compared to EU central responsibilities



Readers guideline

For each topic, we have outlined one or more key questions (highlighted in red). Where relevant, we have also included important legal context (in yellow) and reflections on the status quo, along with possible solutions. Feel free to add your responses and input below each question.

4 SUMMARY OF THE RECOMMENDATIONS

This section summarizes the recommendations or options mentioned further in this paper. These recommendations only partly address our questions. It needs consideration of all our questions (in red marking below), a consideration of our recommendations, and anyway still a detailed response to the questions.

Where does the GO reside and where does it get cancelled (I, II): potential response:

Basic GO case: For cases where the PoS and the GO are registered in the UDB following separate processes, the UDB imports living GOs and facilitates the cancellation of GOs in a way that doesn't undermine member states' GO cancellation and disclosure framework. The GO resides "in" the UDB, where it gets cancelled at consumption of the gas.

GO-PoS National Database case: For cases where the PoS and the GO are registered in the UDB through a single process, the GO and PoS are jointly cancelled in the national registry and jointly registered in the UDB together with the consignment of renewable gas after cancellation of the GO+PoS in the national registry.

Dashboard for claim criteria of Member States (III, IV, V, VI):

We propose a role in the UDB for national disclosure **supervisory authorities to have viewing rights to aggregated and individual cancellations of GOs and PoS for consumption in their country.**

Consistent handling of non-EU GOs (VII):

Consider setting up GO recognition processes in the European Commission based on CEN EN16325 compliance for gases in global supply chains, in accordance with art. 19.11 of RED.

Importing reliable CEN-compliant non-EU GOs:

- enables governmentally backed double-claim prevention of imported gases from third countries with whom there is direct import,
- prevents that the UDB would act contradictory to the GO system rules of the country of origin,
- discourages the market to circumvent the GO system rules for making renewable gas consumption claims.

Triggering point for sending data to the UDB for national databases that register GO+PoS (IX):

Enable that integrated GO+PoS live fully in the national registry and get cancelled there before being sent to UDB. This would need a timeline for transmitting the data to UDB that accords with the GO lifetime until cancellation.

=> Suggestion to either prolong the period of 3 working days or add an extra option for a triggering point 1(f) to art.5 of the delegated regulation extending the scope of the UDB:

“(f) GO cancellation (for registries where the access to the UDB is integrated with the GO registry)”

Or

Ensure option (d) is be open enough for triggering points to accommodate timing and procedures defined nationally in relation with GO registry procedures.

Design for error and fraud reduction:

Limit the number of interactions between national GO registry and UDB, as every interaction has risk for error.

In the process design, prevent errors that risk that the market makes double claims on the same consignment of gas.

Clarify liabilities of the European Commission (XVI, XVII):

Ensure a living GO and PoS are only in one place at the same time, and have with that party the full responsibility over fostering the veracity and ownership title of this GO & PoS instrument .

Open a dedicated discussion track on energy quantities matching between GO and PoS.

Handling meter data inconsistencies: TSO/DSO data shall not be contested by the Economic operators, but can be reviewed by the TSO/DSO. EO can register smaller volumes than those reported by TSO/DSO but shouldn't be allowed in UDB to report higher volumes. Lacking a conciliation process, no revision of values should be done except when triggered by TSO/DSO.

5 QUESTIONS

5.1 Where does the GO reside (legally)?

Legal Background:

REDIII art.31a§4:

“Where guarantees of origin have been issued for the production of a consignment of renewable gas, Member states shall ensure that those GOs are transferred to the UDB at the moment when a consignment of renewable gas is registered in the UDB
and
are cancelled AFTER the consignment of renewable gas is withdrawn from the Union’s interconnected gas infrastructure.”

REDIII art.31a§5 section 3

“Each member state may use an already existing national database aligned to and linked with the UDB via an interface OR establish a national database, which can be used by economic operators as a tool for collecting and declaring data and for entering and transferring those data into the UDB, on condition that (...)

Question

- I. Is the information that enters the UDB following art. 31a§4 of the RED, called a “GO” or is it called “information copied from the GO”?

Reflection:

- If the GO is in the UDB, then the Member state cannot secure the cancellation. Inherent in the GO system is that the GO can only be in one place.
- If the information in the UDB is a duplication of the information recorded on the GO, but the GO is formally not in the UDB, then it is impossible to call it “transfer of the GO to the UDB” as in RED art. 31a§4. And, in that case Member States cannot take up their responsibility of RED art.19§5 and §6 on supervising fraud-resistant GOs.
- If Economic Operators send PoS info to both places GO registry and UDB, there is increased risk for error and fraud (see below).

- II. Does the formal concept of “GO cancellation” happen in the UDB?

- a. If yes, what is already clear regarding the IT facilitation of the interaction with the national cancellation rules and national disclosure supervision process?

Reflection:

- Member states cannot secure the cancellation of the GO if the GO is transferred to the UDB.
- If GO cancellation is not taking place, then gas suppliers have no means to claim renewable gas supply in execution of annex 1.5 of the Gas Directive.

Potential Response (I, II):

Basic GO case: For cases where the PoS and the GO are registered in the UDB following separate processes, the UDB imports living GOs and facilitates the cancellation of GOs in a way that doesn't undermine member states' GO cancellation and disclosure framework. The GO resides "in" the UDB, where it gets cancelled at consumption of the gas.

GO-PoS-National Database case: For cases where the PoS and the GO are registered in the UDB through a single process, the GO and PoS are jointly cancelled in the national registry and jointly registered in the UDB together with the consignment of renewable gas after cancellation of the GO+PoS in the national registry.

5.2 Control over national requirements regarding cancellation and Disclosure

5.2.1 National cancellation rules

Legal Background:

- Member States are obliged to impose the CEN EN16325 restrictions for Cancellation
- Member States or designated competent bodies shall supervise the issuance, transfer and cancellation of GOs. (RED art.19.5)
- GO Expiry has a maximum date but may vary between member states (RED art.19)
- Member States shall only allow GOs that are reliable, accurate and fraud-resistant (RED art 19).
- Member States shall ensure that green claims are substantiated by traders with assessment reports (draft Green Claims Directive)

Questions:

- III. What if the UDB would dictate the GO registry to cancel the GO and this would be against the national cancellation rules?
 - a. What if the national GO rules have a different interpretation of the GO import refusal principles "Reliability, accuracy, veracity".
 - b. What if the GO has expired according to national expiry rules? How to prevent that the economic operator illegally discloses renewable gas consumption based on an expired gas GO?
 - c. What if it goes against the national implementation of the green claims' directive?

5.2.2 National rules for making green claims

Legal Background for claiming renewable gas consumption:

- Licenced Gas Suppliers are not allowed to claim renewable gas supply without cancellation of a valid GO (Annex 1.5 of Gas Directive + art.19.8 of REDIII)
- Member States must be enabled to supervise suppliers' gas disclosure (Annex 1.5 of Gas Directive)

- Corporates must prove the energy sources of their consumption based on “contractual instruments like GOs” (CSRD -ESRS)
- Traders & others: “Member States shall ensure that Green Claims are Substantiated” (Green Claims Directive Draft)
- Member States shall ensure that the same unit of renewable energy is taken into account only once. (RED art. 19)

Questions:

- IV. Given the member state is responsible for many areas related to the claims made on renewable and low-carbon gas consumption in their country, what controls does the Union Database facilitate to member states for them to exercise their responsibilities?
(on preventing double counting, preventing and policing false claims, supervise suppliers, corporates, traders, ertc)

How can the member state regulate their national green claims quality:

- a. How can the member state control the claim that the Economic Operator makes based on PoS with expired GO?
Interpretation: no claims should be made on energy covered by expired GOs, as this energy should go into the residual mix (RED.art. 19.6). UDB can help by displaying that this PoS does not entitle for claiming renewable gas consumption. => will the UDB display as such?
- b. How can the member state control the claim that the Economic Operator makes based on PoS without GO?
- c. How can the member state control the claim that the Economic Operator makes based on PoS from countries from which member states are not allowed to import GOs?
- d. How can the member state control the claim that the Economic Operator makes if UDB registers a GO as exported and the UDB tells the country of destination that the GO is cancelled there?

- V. Which claims can be made with PoS that are not accompanied by a GO?

- a. How does the UDB ensure it does not accommodate claims that go against national law?

Reflection:

National legislation is in place to clarify what claims can a PoS be allowed for if not accompanied by a valid GO. There are different cases where this occurs:

- o Claiming green with PoS after GO expiry = double counting because expired GO should be in RM. Unless RM is harmonised to not include expired GO, which would be against art. 19.3.

- If receiving member state does not accept the import of the GO (e.g. not allowed to import GOs from UK following art. 19 RED) => this GO can end up somewhere else and be double counted in UDB.
- Part of production has GO, part GO+PoS
- Part of production receives only PoS and no GO
 - E.g. Where part of production is non-renewable but low-carbon
- If no GO issued ("opt out" of GO system while EO onboards in UDB)

VI. What is the framework inside the UDB for registering GO cross-border transfer?

Proposed response (III, IV, V, VI):

We propose a role in the UDB for national disclosure **supervisory authorities to have viewing rights to aggregated and individual cancellations of GOs and PoS for consumption in their country.**

5.3 Inconsistency for import from non-EU countries

Question:

- VII. Handling GOs from non-EU countries which have a gas and/or hydrogen GO system in place:
- a. Will non-EEA GOs be imported through the UDB?
 - b. Will UDB register PoS from non-EEA countries without importing the GO? If so, how is it ensured that that GO is not sold elsewhere?
 - c. How to prevent a GO originating from a non-EEA country from being counted in respect of another claim than that which is made through the UDB? (If a GO exists and is not imported together with the PoS, how to ensure a GO originating from a non-EEA country does not end up elsewhere if a PoS gets registered in UDB?)

Note: risk of Economic Operators circumventing the GO system rules through the UDB.

Proposed response (VI):

Consider setting up GO recognition processes in the European Commission based on CEN EN16325 compliance for gases in global supply chains, in accordance with art. 19.11 of RED.

Importing reliable CEN-compliant non-EU GOs:

- enables governmentally backed double-claim prevention of imported gases from third countries with whom there is direct import,
- prevents that the UDB would act contradictory to the GO system rules of the country of origin,
- discourages the market to circumvent the GO system rules for making renewable gas consumption claims.

5.4 Process Flows: Timelines – Legal side condition

Draft Legal Background:

- Draft time interval for entering transactions in the UDB, as in the draft delegated regulation, further extending the scope of the data to be included in the Union database (...), as under consultation autumn 2024:

Article 5 Transaction data entry

1. Economic operators, referred to in Article 3(1) of this Regulation, that are obliged to enter transactions data in the Union database under national law and in accordance with Article 31a of Directive (EU) 2018/2001 shall **enter such data within three working days from a triggering point**, which shall be one of the following:

- (a) an invoice issuance date;
- (b) a surveyor report issuance date;
- (c) a bill of lading issuance date;
- (d) the issuance date of an internal system reference document covering multiple shipments; or
- (e) a truck report issuance date.

Question:

- VIII. What timelines will be in place for registering PoS info into UDB when the PoS is at national level connected to GO? (national GO+PoS Database scenario)

Reflection:

- Enable longer period to accommodate national internal processes to align: Where a GO is sent together with sustainability certification info to the UDB, it would be efficient and reducing error and double claims risk, if this info is sent to the UDB only after these GO+sustainability info are allocated to a consumption point. If so, and in order to clarify the trigger point following which the data is to be sent to the UDB, we suggest to consider a trigger point that constitutes the GO Cancellation.
- Does point d) suffice for a meaningful integration with the GO system?

Proposal (VIII):

Enable that integrated GO+PoS live fully in the national registry and get cancelled there before being sent to UDB. This would need a timeline for transmitting the data to UDB that accords with the GO lifetime until cancellation.

=> Suggestion to either prolong the period of 3 working days or add an extra option for a triggering point 1(f) to art.5 of the delegated regulation extending the scope of the UDB:

“(f) GO cancellation (for registries where the access to the UDB is integrated with the GO registry)”

Or

Ensure option (d) is be open enough for triggering points to accommodate timing and procedures defined nationally in relation with GO registry procedures.

5.5 Process flows technical concept

Legal Background:

- Art.31a§4 : transfer GO to UDB upon registration of the PoS
- Art.31a§5: GO+PoS together to the UDB

Question:

- IX. What events trigger an interaction between GO and UDB?

5.6 Process flow GO-UDB

Questions:

- X. What impact do the above-mentioned EU legal requirements, to member states on ensuring consistent renewable energy consumption claims, have on the process flow of IT interfaces between registries, and responsibilities of each actor?
- XI. Which party sends full GO data to the UDB that enables calling it “GO transfer to UDB”?
- The Account Holder in the GO registry? (= the Economic Operator registered in the UDB)
Note: The GO system is set up to enable the GO Account Holder to transfer their own GOs.
 - The GO issuing body upon GO registration?
 - Or?

Figure 2: Basic visualisation of how a GO is being transferred between accounts

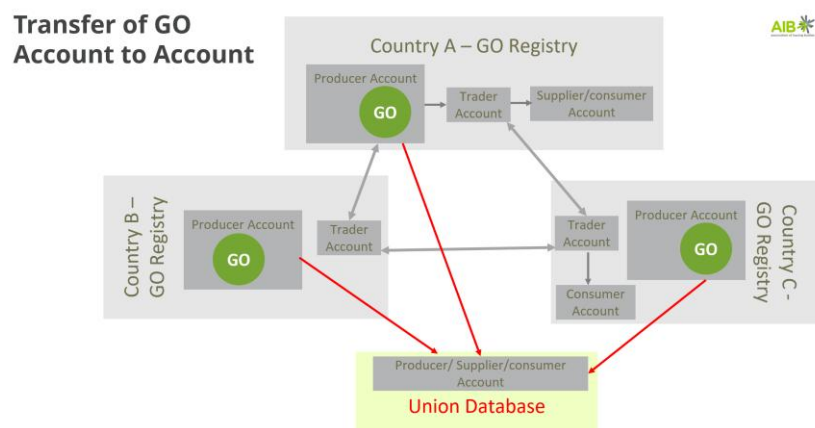


Figure 3: Our understanding of how the Economic Operator is the actor that triggers the sending of GOs to the UDB, for the scenario where the GO is not linked to a PoS in a national database before being sent to UDB

2 options:

- 1) GO registries send info on cancelled GOs incl PoS to UDB
- 2) Import living GOs to UDB upon registration of PoS in UDB



EO – original
GO owner
(Economic Operator
imports GO to UDB)



From EO account in GO
registry directly into
account in UDB (just like
GO-to-GO registry import)

- XII. How do we avoid double counting when the GO is issued before the link with the PoS is made in the UDB?

Example: The GO is created, but no PoS at that moment. In that case the GO can be traded to another party.

- a. If the PoS is issued afterwards, how to link to the GO, to ensure it can be cancelled at the same consumption point?

- XIII. Differences in process flow for countries adopting art.31a§5, compared to those who don't adopt it?

5.7 Process flows: Error and Overhead work reduction

Questions:

- XIV. How to detect error & fraud when an Economic Operator (EO) incorrectly reports absence of GO?
- XV. How to know for which GO a PoS is registered and vice versa? (see also below on "Technical linking")
- XVI. PoS-correction procedure: How with the ex-post correction of PoS in case of fraud align with GO issuance procedures?

Proposed contribution to error and fraud reduction :

Limit the number of interactions between national GO registry and UDB, as every interaction has risk for error.

In the process design, prevent errors that risk that the market makes double claims on the same consignment of gas.

5.8 Liability clarification

Question:

Regarding the idea to “Mark GO as non-tradeable outside UDB”:

- XVII. Who is liable when the UDB registers transfer of the GO towards a place where the national GO registry wouldn't enable sending it to?
- XVIII. Liabilities to clarify:
- Who (which legal entity) has to send which GO information to who (which legal entity)?
 - Is it the Account Holder in the GO registry to send GO info to the UDB? Is it the GO issuing body regardless the actions of the GO owner?
 - Who is to be held accountable for the judgement on whether a specific GO needs to be sent to the UDB?
 - Who is to blame if the match between GO and PoS is incorrectly not identified as relating to the same consignment of gases?
 - How to handle the different registration timelines in GO registry and of PoS in UDB, in relation to the matching of both instruments to the same consignment of gas?
 - If relevant, how long must a GO be withheld from being issued?
 - EN16325: GO to be issued within the month after issuance request or production period (whichever the later)
 - Who to be blamed if market has damage from late GO issuance?
 - Which rectification mechanisms will come in place for errors in the matching of a GO with a PoS and vice versa?
 - What if a GO is already transferred after it is identified as relating to a consignment of gas that needs to be matched to a PoS in the UDB?
 - Which penalization mechanisms for fraud by Economic Operators (EOs)? Who is to install the penalty?

Proposed concept for clearer liability (XVII, XVIII):

Ensure a living GO and PoS are only in one place at the same time, and have with that party, the full responsibility over fostering the veracity and ownership title of this GO & PoS instrument .

5.9 Technical: Linking GO and PoS

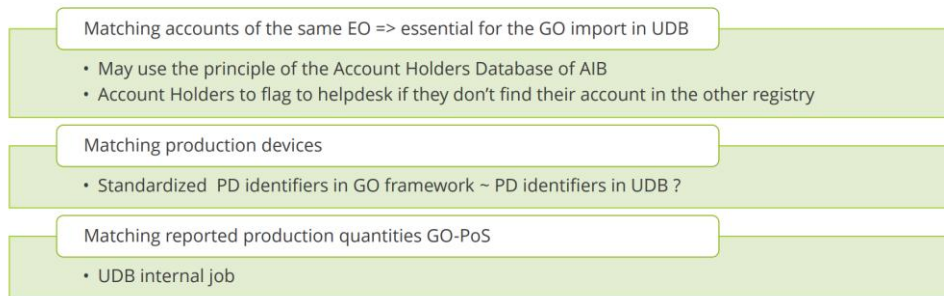
Questions:

- XIX. Which party takes responsibility for correctly linking GO to PoS ? (= WHO ensures the same consignment of gas is recognized as such.)
- XX. HOW to ensure the same is recognized as the same?
- Production Device identification: format in GO registry and in the UDB?
 - Economic Operator identification: in GO registry and in the UDB?
 - Energy quantity matching between the GO registry and in the UDB? (see also below)

Figure 4: Our contributions to how GOs can be matched with PoS

Matching GO with PoS

Between GO registries and UDB



5.10 GO-PoS differences in energy quantities for the same consignment of gas

Questions:

- XXI. There are expiry date differences between GO and PoS: what claims can be made with PoS after a linked GO expires?
- XXII. How to overcome differences in GO and PoS quantification rules, in relation to the same consignment of renewable gas?

Reflection:

- Quantity of energy covered 1 MWh GO does not always equal 1MWh PoS
 - Gas quantities expressed in Upper /Lower Calorific Value: mismatch needing conversion calculation
 - Auxiliary deduction for GO issuing: more energy in PoS than in GO?
 - Non-renewable sources deduction
 - ...
- There are expiry date differences between GO and PoS: what claims can be made with PoS after a linked GO expires?
- Off-grid gas:
 - Do transport losses accounted in a PoS affect the GO matched to it? - and associated GHG emissions.
 - Off-grid gas and virtual liquefaction :
 - Where is the single mass-balancing system ending?
 - At what stage does the GO need to be cancelled?
 - How to ensure that liquified gas can also be claimed by suppliers as renewable gas supply under annex 1.5 of the Gas Directive?
 - Change in aggregation phase (liquid-gas) :
 - Are the GOs that correspond to phase-change losses, implicitly “lost”? If so, how to account them for the residual mix? As cancelled or as expired?

- Example where it becomes hard to link a GO to a PoS:
 - 1000 GOs link to 1400 PoS for the same produced consignment of gas from renewable sources
 - Different meters are read out, different calculation formulas to quantify the number of GOs or PoS to be issued.

Recommendation: Open a dedicated discussion track on quantities matching between GO and PoS.

5.11 Efficiency possibility in national frameworks

Question:

- XXIII. How to make efficient use of verifications and inspections: can the same certification body verify for both PoS and for GO in one inspection?
- XXIV. Are there benefits of carrying optional data on GO or is it better to send such optional data at once to UDB without having them on GO?
- Carbon Footprint info
 - Sustainability criteria met? Y/N
- a. Any reflections or comments by DG ENER on synchronising the inspection for GO and PoS?

5.12 Offgrid gas

Question:

- XXV. What is the process flow for registering GOs in relation to PoS for Offgrid gas? What different actors are involved for meter data confirmation and for sending GOs to the UDB.

Reflection:

- Note: There are no TSO/DSO reporting for gases that are not injected into the grid.

5.13 Handling metering inconsistencies and meter data corrections

Question:

- XXVI. What is the process for handling meter data inconsistencies?

Proposal: TSO/DSO data shall not be contested by the Economic operators, but can be reviewed by the TSO/DSO. EO can register smaller volumes than those reported by TSO/DSO but shouldn't be allowed in UDB to report higher volumes. Lacking a conciliation process, no revision of values should be done except when triggered by TSO/DSO.

5.14 Transfer message format

Questions:

- XXVII. Will the GO transfer message format build on EECS SD03 HubCom?
(*EECS Subsidiary Document 03 (SD03) HubCom is the transfer message format under which the vast majorities of GO registries currently interact.*)
- XXVIII. Are there additions needed to the data currently recorded on GOs? Which ones?

5.15 Contextual

Questions:

- XXIX. Will the next revision of the EN16325 (in case it gets adopted now) get triggered by a Standardisation request from the Commission to CEN?
(Export and cancellation rules to be adapted to UDB, aligning the quantities of energy represented by GO and PoS while accounting for emissions of GOs without PoS)
- XXX. Will there be some standard instructions or manual for GO registries to connect?
- XXXI. What will be the role of AIB?