

# ERGaR Certificate of Origin (CoO) Scheme

Participation Agreement V1.2

09/05/2022

## Versioning

Version	Date	Responsibility	Reason for amendment
1.1	12/07/2021	ERGaR	editing
1.2	07/05/2022	ERGaR	<p>New 3.6: Operator maintains an overview of the scope and specifications of all System Participants</p> <p>New 5.6: System Participant shall provide information on the scope and specifications of its registry.</p> <p>New 5.7: System Participants provides a proof on the governmental mandate for issuing gas GOs</p> <p>New 5.8: Obligation to inform the system users about the ERGaR CoO Scheme Scope and Specifications.</p> <p>10.1 The Scheme Fees will no longer be defined by the Annex but by a price list that is maintained by the Operator.</p> <p>New 10.2. Calculation of scheme fees in the transition period.</p> <p>11.3: Existing liability rules shall not be affected.</p> <p>Annex 1 Scheme Fees is deleted</p>

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## Participation Agreement for the ERGaR Certificate of Origin (CoO) Scheme

between

European Renewable Gas Registry (ERGaR) aisbl  
Renewable Energy House  
Avenue de Cortenbergh 100  
1000 Brussels  
Belgium  
(hereinafter referred to as the "Operator")

and

Company name	
Name of registry	
Address (street & number)	
Address (postal code and town)	
Address (country)	

(hereinafter referred to as the "System Participant")

The Operator and the System Participant are hereinafter collectively referred to as the "Parties".

### Preamble

The Operator administers the ERGaR CoO Scheme (hereinafter referred to as the "**Scheme**"), which facilitates the transfer of CoOs between participating National Biomethane Registries (hereinafter referred to as "**System Participants**"), which are responsible for the creation of CoOs for biomethane that has been injected into the Natural Gas Network.

CoOs are transferred via electronic Data Packages, structured according to an agreed format, that are uploaded to and downloaded from the ExtraVert Platform, which is operated on behalf of the Operator.

The System Participant operates a National Biomethane Registry and wishes to participate in the Scheme. In order to formally join the Scheme the System Participant concludes this Participation Agreement with the Operator (hereinafter referred to as the "Agreement").

The following Participation Agreement (hereinafter referred to as the "**Agreement**") establishes the regulations necessary for the System Participant to join the Scheme.

## 1 Applicable ERGaR Rules

- 1.1 The System Participant agrees to abide by the terms of the document “ERGaR CoO scheme – Scheme Rules” in its current version (hereinafter referred to as the “**ERGaR Rules**”). The version of the ERGaR Rules in force at the time of the signing of the Agreement is included as an Annex to this Agreement; however, the ERGaR Rules may also be updated, as per clauses 1.2 and 1.3.
- 1.2 The Operator may update or amend the ERGaR Rules on a regular basis and in line with the applicable European legislation.
- 1.3 In case of updates or amendments of the ERGaR Rules the Operator will provide the System Participant with a copy of the new version of the ERGaR Rules, which will be applicable after a transitional period of 30 days.

## 2 Definitions

### 2.1 Certificate of Origin (CoO):

- 2.1.1 An electronic document that records information about consignments of biomethane injected into the Natural Gas Network. A CoO may be used by gas consumers to proof that the biomethane consignment described in the CoO can be set against an amount of gas that the consumer has withdrawn from the Natural Gas Network. System Participants may apply different terminology to the documents issues at a national level, such as e.g. “biomethane certificates”, “guarantees of origin” or “renewable gas guarantees of origin”.
  - 2.1.2 Within the Scheme, all such documents will be considered CoOs. CoOs follow the approach detailed in Article 15 of Directive 2009/28/EC on the promotion of the use of energy from renewable sources, including amendments as per Directive (EU) 2015/1513 (also referred to as “**RED I**”) and Article 19 of Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast) – also referred to as “**RED II**”.
  - 2.1.3 A CoO is a product that can be privately traded between the registered users of the System Participants. The ExtraVert Platform shall only be used for transferring the CoO between the National Biomethane Registries. The price at which the CoO is traded is privately agreed between the registered users of the System Participants involved in the transaction. No money transfer takes place via the ExtraVert Platform.
- 2.2 **Data Package:** A single file, in XML data format, containing information about one or more CoOs that a System Participant wishes to transfer to another System Participant. Data Packages must be uploaded to the ExtraVert Account of the sending System Participant via the ExtraVert Platform. The XML format is provided by the Operator.
  - 2.3 **ExtraVert Account:** An electronic account on the ExtraVert Platform, where System Participants upload and download Data Packages which allow them to transfer CoOs.
  - 2.4 **ExtraVert Account Holder:** A System Participant being a national biomethane registry admitted to the ExtraVert Platform by decision of the Operator’s Executive Board and having signed this Agreement.
  - 2.5 **ERGaR aisbl (“Operator”):** An international non-profit organisation established under Belgian law, with its registered seat at 1040 Brussels, Rue d’Arlon 63-65.
  - 2.6 **ExtraVert Platform:** The stand-alone transfer hub developed and owned by Vertogas B.V. under the Development Agreement concluded with ERGaR and operated on behalf of ERGaR.

- 2.7 **Natural Gas Network:** The system operated within the territory of the European Union (EU), the European Free Trade Area (EFTA) and the European Economic Community (EEC), consisting of the natural gas transmission system (as defined in Article 2.3 of Directive 2009/73/EC), together with the natural gas distribution system (as defined in Article 2.5 of Directive 2009/73/EC). The natural gas distribution systems operated in the United Kingdom of Great Britain and Northern Ireland will be deemed part of the Natural Gas Network, as long as this is not excluded by any legal or regulatory requirements to which the Scheme must adhere.
- 2.8 **System Participant:** A National Biomethane Registry admitted to the ExtraVert Platform by decision of the Operator’s Executive Board and having signed this Agreement.
- 2.9 **National Biomethane Registry:**
- 2.9.1 An organisation that operates an account-based administration system documenting the chain of custody of injected biomethane from the point of injection up to the point of withdrawal from the domestic natural gas network. For the purpose of the Scheme, the electronic documents issued by the National Biomethane Registry constitute CoOs.
- 2.9.2 A National Biomethane Registry is established either by government mandate or by the voluntary cooperation of market participants and is operated in a domestic market.
- 2.10 **Operator:** The Operator of the Scheme, i.e. ERGaR aisbl.
- 2.11 **Operator’s Executive Board:** The Operator’s main executive body, the members of which are elected by the members of ERGaR aisbl.

### 3 Obligations of the Operator

- 3.1 The Operator will ensure that the ExtraVert Platform is maintained and administered in accordance with the Service Level Agreement it has in place with Vertogas B.V., and that System Participants are notified of planned downtime and maintenance periods.
- 3.2 The Operator will administer and implement the Scheme with reasonable care and skill and in a fair and equitable manner at all times.
- 3.3 The Operator’s obligations are limited to those set out in this Agreement and the ERGaR Rules in the current version.
- 3.4 The Operator will consider reasonable requests by the System Participant to improve and optimise the ExtraVert Platform. In determining whether a request is reasonable, the following factors will be taken into consideration:
- 3.4.1 the absolute and relative costs incurred in implementing the request;
- 3.4.2 the principle that all System Participants should be treated equally.
- 3.5 The Operator will comply with all relevant laws regarding data protection, including the General Data Protection Regulation and the Belgium domestic data protection regulations applicable.
- 3.6 The Operator will maintain a document with an overview of the Scope and Specifications of the System Participants of the Scheme. Whenever a System Participant joins or updates its information, the Operator will update the document accordingly and distribute the updated version to the System Participants.

## **4 Qualification of the System Participant as a National Biomethane Registry**

- 4.1 Before the System Participant may participate in the Scheme based on to this Agreement, it must successfully qualify as a National Biomethane Registry in accordance with the ERGaR Rules.
- 4.2 Following a successful qualification according to 4.1 and an approval of the Operator's Executive Board, the System Participant receives a written confirmation by the Operator. Thereupon, the System Participant is formally recognised and receives the log-in data necessary to access the ExtraVert Platform and execute transactions.
- 4.3 .

## **5 Obligations of the System Participant**

- 5.1 The System Participant undertakes to comply with all Scheme documents concerning the creation, export and import of CoOs.
- 5.2 In particular, the following stipulations of the ERGaR Rules are pointed out:
  - 5.2.1 the System Participant shall adhere to the general requirements set out in sections 4 and 5 of the ERGaR Rules;
  - 5.2.2 the System Participant may only issue CoOs in accordance with section 5 of the ERGaR Rules;
  - 5.2.3 the System Participant must have appropriate risk management procedures in place to identify potential risks arising from its activities within the Scheme.
- 5.3 Should the Operator become aware of circumstances indicating that the System Participant is not or has not been adhering to the ERGaR Rules, or to the terms of this Agreement, or is suspected of any abuse or misuse related to the ExtraVert Platform, the Operator has the right to block the System Participant's account, cancel this Agreement and take any other appropriate action the Operator considers necessary in order to protect or regain the credibility of the Scheme or to protect the rights or interests of economic operators or other System Participants.
- 5.4 The System Participant is obliged to respond within 9 (nine) days to any reasonable request of the Operator relating to the business processes of the ExtraVert Platform, particularly in the case of actions relating to the sending and receiving of Data Packages.
- 5.5 The System Participant will comply with all relevant national and EU laws regarding data protection, including the General Data Protection Regulation.
- 5.6 When applying as System Participant of ERGaR CoO Scheme, the System Participant is required to provide information on the scope of its registry, the applied biomass coding as well as special features and requirements regarding the issuance and acceptance of Certificates of Origin. The System Operator is obliged to notify the Operator of any changes of the information submitted in written form within 14 days.
- 5.7 If the System Participants claims to be designated as issuing body for renewable gases according to article 19 of Directive 2018/2001, a copy of the corresponding national law, degree or any other proof stating the corresponding mandate of the System Participant must be provided to the Operator.
- 5.8 The System Participant discloses towards its system users the ERGaR CoO Scheme Scope and Specifications of System Participants (see 3.6). After receiving an update of this document, the System Participant will disclose it to its system users no later than 10 working days after having received the document.



## 6 Export of CoOs

- 6.1 In order to export one or more CoOs, the sending System Participant creates a Data Package according to the format provided by the Operator and uploads it to its ExtraVert account. This Data Package contains a request to the receiving System Participant to generate within its registry one or more CoOs, representing the amount of characteristics of the biomethane described in the Data Package.
- 6.2 The sending System Participant is responsible for the accuracy of the information contained in the Data Package.
- 6.3 The internal process of translating the information from a CoO into the format required for a Data Package must comply with the ERGaR Rules. In particular, the System Participant is not entitled to change any data and may only transfer existing content into the correct format for the Data Package.
- 6.4 Where data from CoOs cannot be included in the Data Package, the System Participant must communicate the reasons for this to the Operator.
- 6.5 At the point when a Data Package is uploaded by a System Participant to its ExtraVert account, it must ensure that the CoO or CoOs represented in that Data Package have been made unavailable to system users in its registry. The CoOs must remain unavailable until either
  - 6.5.1 the sending System Participant has received confirmation from the receiving System Participant that the transfer has been accepted, at which point the sending System Participant will cancel the relevant CoO or CoOs and mark them as “cancelled because of transfer via ERGaR CoO Scheme”; or
  - 6.5.2 the sending System Participant receives notification from the receiving System Participant that the transfer has been rejected, at which point the sending System Participant will make the CoO or CoOs again available for further use.
- 6.6 Cancellation statements created by the sending System Participant must be made available to the receiving System Participant.

## 7 Import of CoOs

- 7.1 In addition to the data exchange via the ExtraVert Platform the receiving System Participant must be notified by the sending System Participant that a Data Package has been sent via the ExtraVert Platform. This Data Package must conform to the format required by the Operator and contain information about the CoO or CoOs being exported.
- 7.2 The Data Package constitutes a request to the receiving System Participant to generate a CoO or CoOs representing the amount and characteristics of the biomethane described in the Data Package. Several Data Packages may be transferred together, but each Data Package is defined by a separate transfer process.
- 7.3 The internal process of translating information from the Data Package into a CoO or CoOs must comply with the ERGaR Rules. In particular, the receiving System Participant is not entitled to change or add any data but may only translate the content of the Data Package into the appropriate national terminology, particularly with regards to language and the handling of biomass coding schemes. The System Participants must ensure that no information will get lost during the export and import of Data Packages.

- 7.4 The receiving System Participant may reject the import of a Data Package and refuse to issue the relevant CoOs, if issuing the CoOs would violate the ERGaR Rules or national legislation, or such violation appears possible. This is particularly the case if the information provided in the Data Package is incomplete or suspected of being incorrect.
- 7.5 Should the Operator become aware of circumstances indicating that an import or export of CoOs has been incorrectly processed or does not comply with the ERGaR Rules, the Operator has the right to declare Data Packages invalid, at which point the receiving System Participant must remove any related CoO or CoOs from its registry.

## **8 Documentation and Risk Management**

- 8.1 The System Participant must document all relevant steps and all authorised persons involved in the issuing of CoOs, and in the export or import of CoOs via Data Packages exchanged over the ExtraVert Platform.
- 8.2 The System Participant must ensure that biomethane installations provide all necessary documentation of the injection of biomethane into the gas grid.
- 8.3 If the System Participant identifies or becomes aware of missing documentation, it must inform the Operator as soon as possible. The System Participant must take all necessary measures to recover the missing documentation. The System Participant must provide the Operator with the missing record or information as soon as possible.
- 8.4 If the sending System Participant identifies or becomes aware of possible errors in a CoO or CoOs it has exported, it must inform the Operator without delay. Thereupon the Parties will agree on a process to correct the error, which may include the cancellation of the CoO or CoOs by the receiving System Participant, or the reversal of a transfer carried out via the ExtraVert Platform.
- 8.5 The sending System Participant is entitled to withdraw Data Packages uploaded to its ExtraVert account or request that a receiving System Participant cancel any resulting CoOs or reverse a transfer, if this is in line with the ERGaR Rules and national legislation.
- 8.6 Where a Data Package is withdrawn or the transfer process is reversed, the sending System Participant must provide the Operator with adequate reasons for the withdrawal or reversal.
- 8.7 Reversal of transfers is only possible if the respective CoOs are still available and have not been cancelled by the receiving System Participant and allocated to a gas consumer.
- 8.8 The System Participant must remain alerted to potential risks and be engaged in identifying and analysing potential risks for all operations relating to the Scheme.

## **9 Audits and Sanctions**

- 9.1 The System Participant must declare to the Operator the scope of the audits to which it is subject in activities outside the scope of the Scheme. This includes providing annually all available audit reports and notifying the Operator within one month of any problems identified by the auditor.
- 9.2 The System Participant must take immediate measures to remedy any problem identified during such auditing. Shortly thereafter a follow-up audit or inspection must be carried out to determine whether the violation has been successfully addressed.
- 9.3 The Operator reserves the right to commission its own audit of the System Participant, in accordance with the ERGaR Rules. The aim of any audit is to confirm that the actions and procedures of the System Participant complies fully with the Operator's



requirements and the ERGaR Rules. Such audits cover only those parts of the System Participant's activities that are relevant to the Operator.

- 9.4 The Operator bears the cost of any audit conducted under clause 9.3. The System Participant must be informed by the Operator about the scope and timing of the audit, and the identity of the appointed auditor, at least 30 [thirty] days before the scheduled audit start date.
- 9.5 The Operator will inform the System Participant in due course if the System Participant has successfully passed an audit carried out under clause 9.3. Where violations of the ERGaR Rules and/or non-compliance with the regulations of this Agreement occur, the System Participant must take immediate measures to remedy the identified problem. Shortly thereafter a follow-up audit or inspection must be carried out to determine whether the violation has been successfully addressed.
- 9.6 The System Participant agrees to the sanction system classifying the levels of violation of the ERGaR Rules and the associated sanctions as stipulated in Section 8 of the ERGaR Rules.

## 10 Payment of Fees

- 10.1 For participating in the ERGaR CoO Scheme and executing transactions via the ERGaR CoO Scheme fees are due according to the current Price List which will be amended from time to time by the Operator's Executive Board. The Operator will charge all amounts due under this Agreement and the Price List in the applicable version by means of invoices issued quarterly. In case of amendments of the Price List the Operator will notify the System Participant of the new Price List, the new prices will be applicable 30 days after the notification.
- 10.2 By way of derogation from 10.1 sentence 3, the Scheme fees set out in the published fees on 09.05.2022 shall apply retroactively as of 1.1.2022. If the Operator has already charged fees under existing contracts for the year 2022, this amount will be deducted once from the first payment due according to the newly introduced system charge.
- 10.3 Invoices must be paid by the System Participant within 30 [thirty] days of the invoice date, by transferring the amount due to a bank account specified by the Operator. For each day that the payment term is exceeded, interest is charged at the rate of 3% (three percent) per annum.
- 10.4 Disputes about a part or all of the invoiced amount will not result in suspension of the payment obligation. The Parties will immediately enter into consultation.
- 10.5 Invoiced amounts must be paid in full and not offset against other invoices exchanged between the Parties.
- 10.6 All costs incurred in connection with the collection of amounts owed, both judicial and extrajudicial and including expenses for legal assistance, are to be covered by the System Participant.

## 11 Legal Ownership and Liability

- 11.1 Neither the System Participants nor the Operator will acquire any legal ownership of, or title to, the biomethane represented by CoOs being imported or exported. The Operator and the System Participant merely provide a documentation and verification system that has no influence on the legal ownership of the commodity.
- 11.2 Irrespective of the legal reason, the Parties are liable for damages with the following conditions:

- 11.2.1 In the event of malicious intent or gross negligence by a Party, its legal representatives, employees or agents, liability is unlimited.
- 11.2.2 In the event of culpable violation of fundamental contractual obligations by a Party, its legal representatives, employees, or agents, without malicious intent or gross negligence, liability is limited to 25,000 € (twenty-five thousand euros). Contractual obligations are fundamental, if they are central to the Agreement and their fulfilment may reasonably be expected by each party.
- 11.2.3 In all other cases the liability of the Parties is excluded unless liability is required by mandatory legal provisions.
- 11.3 The limitation of liability according to 11.2 shall not apply to damages resulting from injury to life, body or health. The limitation of liability according to 11.2. does not limit the System Participant's responsibility in violation matters under sec. 8 of the ERGaR Rules and its obligation to possibly pay penalty payments. Further, sec. 11.2. is not applicable to the System Participant's possible liability towards other System Participant's or other third parties.

## 12 Confidentiality

- 12.1 The Parties are obliged to treat as strictly confidential the content of this Agreement and all information, business secrets and data disclosed or handed over and/or otherwise made accessible during the enacting of this Agreement. In particular, such confidential information shall not be shared wholly or in part with third parties. Measures that execute the purpose of this Agreement shall be permitted.
- 12.2 The confidentiality obligation shall not apply to information which
  - 12.2.1 was already known to a Party prior to the conclusion of this Agreement;
  - 12.2.2 is public, unless such fact has become public due to the culpable breach of a confidentiality obligation under this Agreement; or
  - 12.2.3 has been explicitly designated as not confidential.
- 12.3 The Parties shall share confidential information only with those employees, group entities or independent advisors who are concerned with the completion of this Agreement and must therefore be aware of the information. Each Party must ensure that such persons are similarly obliged to maintain confidentiality, unless such persons are bound by a professional confidentiality obligation, as in the case of an attorney, tax advisor or auditor.
- 12.4 In the event that one Party or its representatives is required by any court or legislative or administrative body to disclose any confidential information (by oral questioning, interrogatories, requests for information or documents, subpoena, civil investigation demand, or any similar process), that Party shall provide the other Party with prompt notice of such a requirement, in order to afford the other Party, the opportunity to seek an appropriate protective order. If a Party is nonetheless legally compelled to disclose such confidential information, it may furnish that portion of the confidential information that is legally required and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such confidential information.
- 12.5 After termination of this Agreement, each Party shall, excluding the information they have recorded in their National Biomethane Registry, return all data received, notes and copies thereof, if any, in due course, unless a compulsory retention period exists.
- 12.6 This confidentiality obligation remains in force for 12 {twelve} months after termination of this Agreement.

## 13 Duration of the Agreement and Termination

- 13.1 This Agreement is concluded for a minimum duration of 24 [twenty-four] months. Thereafter, the Agreement automatically renews on a yearly basis, unless it is terminated by either Party, observing a notice period of three months. Apart from that, the right to ordinary cancellation is excluded for both Parties.
- 13.2 The right to extraordinary cancellation shall remain unaffected. The Operator may terminate the Agreement on extraordinary grounds – in particular,
- 13.2.1 in the event of severe violation of the ERGaR Rules at Sanction Level 3, as stipulated in the ERGaR Rules;
- 13.2.2 if the System Participant submits misleading, wrong, or fraudulent information to the Operator; or
- 13.2.3 in the event of unusual or extraordinary activity by the System Participant.
- 13.3 Any cancellation must be in writing. After a cancellation, the Parties will inform their respective users and take all necessary measures to ensure an orderly resolution of the Agreement.

## 14 Miscellaneous


- 14.1 No verbal or written side agreements may exist. Amendments or additions to this Agreement must be made in writing.
- 14.2 Should one or more provisions of this agreement be or become invalid or unenforceable, this shall not affect the validity and enforceability of the remaining provisions. In place of the invalid or unenforceable provision, such legally valid and enforceable provision shall apply as reflects as closely as commercially possible the spirit and purpose of the invalid or unenforceable provision. The same applies to any gaps in the agreement.
- 14.3 This agreement is governed by Belgian law.
- 14.4 All disputes arising from or in connection with the present agreement shall be conclusively settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The place of arbitration shall be Brussels (Belgium) and the arbitration shall be conducted in English.

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Place, date European Renewable Gas Registry (ERGaR) aisbl  
represented by [...]

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Place, date [System Participant]  
represented by [...]

A stylized map of Europe in white, set against a dark blue background. The map shows the outlines of the major landmasses of Europe, including the British Isles, Scandinavia, and the Mediterranean region.

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