Shift to Issuing Based methodology

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Best available estimate

Sneak peak

Old and new EAM?
Old and new residual mix?
Yksittäiset maat kuten Belgia tai Norja?

STB versus IB: To/From EAM 2018

IB 2018, new model
STB 2018, old model


Residual Mix and European Attribute Mix Calculation Methodology

Why STB is not working anymore?

The tail wagging the dog

The share of trading activities of all exports
The tail wagging the dog

- In Transaction Based:
  - Domestic RM = Production – Cancellation + Import – Export

Highlighted countries (2018)

RE-DISS II (2013): Appendix 2: Future Methodologies for Residual Mix Calculation

RE-DISS proposes to base the calculation of the EAM on the STB method, at least in the near future. As disclosure rules and expiry policies of countries develop and especially become more stable, the IB method could be considered.
How IB solves the problem?

*Issuing Based method

Limiting the tail

- In Transaction Based:
  - Domestic RM = Production – Cancellation + Import – Export

- In Issuing Based:
  - Domestic RM = Production – Issuance + Expiry

International transfers are implicitly considered through EAM

Cut the tail off

Limiting the tail

- In IB:
  - Domestic RM = Production – Issuance + Expiry
Anything else you should know about IB?

Cancellations lag behind Issuing

Highlights from the IB details

- Issuing – Expiry > Cancellation
- Issuing statistics: Production date or Transaction date?
  - Shifted or non-shifted?

Issuing – Expiry > Cancellation: Big annual variation
Including other RTS tells the same story

Issuing – Expiry > Cancellation:
It is not a match but it is okay

- All components have justified place.
- Issuing removes the tracked attributes from physical Production
- Cancellation removes the tracked attributes from Consumption
- Expiry returns unused tracked attributes back to Production
- Because of different timings the equation cannot be equal
  - GO lifetime
  - Disclosure period

Production-Issuing versus Transaction-Issuing

Production-Issuing versus Transaction-Issuing

New (2019Q4) P-I minus old (RMC) P-I

New (2019Q4) P-I minus old (RMC) P-I per country

P-I versus T-I with 2019Q4 data
How methodology has been changed?

- Domestic residual mix = Production – Issuing + Expiry
- Environmental indicators
  - No "CO₂ export pool"
- Only CO₂ emissions and radioactive waste

Residual Mix and European Attribute Mix Calculation Methodology

Legend:
- Physical electricity
- Attributes (GOs)
- Intermediate result
- Final result

Production data

- ENTSO-e production data not available this year
- Eurostat data to be used
  - Cons:
    - Pumped hydro
    - Lignite + Hard coal = Coal
    - Conventional thermal
    - Verification from DCBs requested
Less data asked from DCBs

- Data input sheet similar to previous years
- Unnecessary rows and columns removed
- Import and Export related
- …but, for this year, comments to production data are requested

Suggestive calculation timeline

- April 7: Send out data requests to Competent Bodies
- April 21: Deadline for data for the first calculation round
- May 5: Calculation results version 1 to AIB
- June 6: Deadline for data for the final calculation
- June 20: Final version to AIB

Issuing based method is good because
EECS Issuing statistics – Shifted comparison

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<th>Energy Source</th>
<th>EECS + NAT GO</th>
<th>Total effective cancellation</th>
<th>Difference</th>
<th>% of issuing</th>
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Issuing – Expiry > Cancellation: What are the Active GOs?