

## WP2: State of Implementation of disclosure across Europe

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### Content

- Legal framework and methodology
- Results of analysis
- Weaknesses and recommendations
- Conclusions

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### Legal framework & Methodology (1/2)

- Assess level of implementation of IEM Directive in 29 countries
  - Disclosure – 2003/54 (plus COM recommendations)
- Detailed Questionnaires sent to national stakeholders
  - Government, regulator, TSO, energy industry...
- Cross-cutting analysis for 29 countries
  - Focus on legislation and secondary regulation, plus selected features of the systems operated
  - ⇒ Categorisation of countries based on progress made
  - ⇒ Best practices vs. common problems
  - ⇒ Key issues and recommendations for improvement

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### Legal framework & Methodology (2/2)

- Based on set of criteria for each policy
  - Disclosure
  - (RE-GO)
  - (CHP-GO)
- Applied to 29 EU countries (27 EU MS, CH and NO)
- ⇒ Three categories for displaying progress of countries
  - Not fully operational system in place; *“behind”*
  - Fully operational; *“in line”*
  - E-TRACK standard (or similar); *“advanced”*



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**Article 3.6 of IEM Directive 2003/54 states:**

- “MS shall ensure that electricity suppliers specify in or with the bills and in promotional materials made available to final customers:
  - The *contribution of each energy source* to the overall fuel mix of the supplier over the preceding year;
  - At least the reference to existing reference sources, such as web-pages, where information on the environmental impact, in terms of at least *emissions of CO<sub>2</sub> and the radioactive waste* resulting from the electricity produced by the overall fuel mix of the supplier over the preceding year is publicly available.
- ...
- MS shall take the necessary steps to ensure that the information provided by suppliers to their customers pursuant to this Article is *reliable*.”

**Disclosure - methodology (1/2)**

	☹	☺	☺
<b>Legislation</b>	No legislation for implementing electricity disclosure in place	Relevant legislation in place	Idem
<b>Regulation</b>	No regulation (e.g. on rules and implementation) is in place	According regulation is ready and available	Idem
<b>Mandatory</b>	Disclosure is not mandatory	Disclosure is mandatory	Idem
<b>Disclosed information</b>	The minimum required information (i.e. CO <sub>2</sub> emissions and nuclear waste) is not frequently disclosed to consumers	Minimum information on the environmental impact of the supplier's energy portfolio is frequently provided	More than the minimum required information is disclosed to consumers

**Disclosure – methodology (2/2)**

	☹	☺	☺
<b>Basis for disclosure</b>	No proper disclosure system is in place, i.e. there is no fuel mix calculation, implicit or explicit tracking mechanism in place	A proper disclosure system is in place, although not necessarily based on GO. An explicit and an implicit tracking mechanism are in place for RE and/or CHP	Disclosure is based on GO for RE and/or CHP. The explicit tracking mechanism is reliable and based on GO for RE and/or CHP. Fuel and Residual Mix calculations are in place.
<b>GO import and export</b>	Imported / exported GO are not (fully) reflected in fuel or residual mix calculation	Imported / exported GO are reflected in the fuel mix calculation	Imported / exported GO are reflected in the fuel and residual mix calculation
...			

**Status of implementation of Disclosure (Jun 09)**

	Behind	Mostly in line*	In line	Advanced
<b>EU-15</b>	BE-Bxl, FR, GR, IT		BE-Fla, BE-Wa, LU, DE, DK, IE, PT	AT, ES, FI, GB, NL, SE
<b>EU-12</b>	BG, CY, CZ, EE, LT, LV, MT	PL, SK	HU, RO, SI	
<b>CH + NO</b>		CH, NO		
<b>Summary</b>	10 + BE-Bxl	4	8 + BE-Fla + BE-Wa	6

\* Operational disclosure system, but no environmental parameters disclosed

### Disclosure – remaining weaknesses

<b>Weakness in disclosure system</b>	
- Legislation / regulation missing; or - System fails on key aspects	☹️
The system does not disclose environmental indicators	☹️
- Design of the tracking system - Accuracy and reliability of the tracking system	😐
Fuel Mix Calculation and cross-border aspects	😊

### France snapshot

- Disclosure system officially in place but
  - No sufficient regulation;
    - ⇒ **Inconsistent implementation by different suppliers**
- GO implemented but
  - No mandatory redemption; no certificate system
  - Exports / imports / transfers are not tracked
    - ⇒ **Double counting not excluded**
  - RECS is used for almost all green products
  - No use of GO for green products; no integration of RECS into supply mix because it has no official status
  - Link with feed-in not clarified
- No implicit tracking mechanism in place, i.e. no residual mix
  - Exports of GO are not reflected in FM and RM calculations
    - ⇒ **Disclosure statements are not fully reliable**

### Belgium Snapshot

- Belgium = 3 regions + federal level (off shore wind)
- Overall decent/advanced tracking systems in place
  - Clear regulation on link quota certificates & GO
- Remaining weaknesses:
  - Brussels-Capital: Disclosure not fully operational
  - All: No Residual Mix in place
  - Cross-border: RE-GO import not deducted in fuel mix of exporting country
- Generally low consumer's awareness on green supply
  - Energy sector: focus on support scheme (supply side)
  - Additionality (demand side): "what is the relevance?"
- Harmonisation / cooperation between regions?
  - Agreement between Brussels-Capital and Walloon region

### United Kingdom Snapshot

- Advanced disclosure system in place / based on GO
- Final Green Supply guidelines published Feb 09
  - Cover only domestic / SME sectors; exclude I&C sector
  - Volume test to exclude double-counting
  - Supplier must demonstrate abatement of a minimum threshold of CO<sub>2</sub> emissions
  - Accreditation scheme being developed by industry
- Remaining issues:
  - LECs excluded for disclosure; RE-GO as the only proof?
  - I&C sector; Defra guidelines on carbon reporting?
  - Fuel Mix Calculation methodology
    - (RE-GO and CHP-GO not coordinated)
- Accreditation scheme to bring clarity?

### Typical E-TRACK Recommendations to Member States

- Develop or pass primary & secondary legislation on RE-GO, CHP-GO and disclosure.
- Avoid double counting in GO issuing.
- Establish GO as transferable electronic certificates (preferably within the EECS system).
- Allow for imports & exports of GO and keep track of issued, cancelled and imported / exported GO.
- Clarify how supported RES and CHP electricity is disclosed.
- Establish a proper residual mix instead of using uncorrected generation statistics.
- Reflect exports and imports in residual mix.

Note For detailed recommendations per MS: see full document

### Summary: Status of Disclosure Policies in Europe

	D		D
AT		IE	
BE-Brussels-Cap.		IT	
BE-Flanders		LV	
BE-Wallonia		LT	
BG		LU	
CY		MT	
CZ		NL	
DE		PL	Mostly
DK		PT	
EE		RO	
ES		SE	
FI		SI	
FR		SK	Mostly
GB		NO	Mostly
GR		CH	Mostly
HU			

Legend ☹ ☺ ☻

## Thanks!

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