

EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR ENERGY AND TRANSPORT

DIRECTORATE D - New and Renewable Energy Sources, Energy Efficiency & Innovation Regulatory Policy & Promotion of Renewable Energy Sources

Brussels, 1 4 MAI 2009 TREN D1/TH/gdc D(2009) 53831

Dear Sirs,

AIB GRC workshop, 25th of June 2009, E-TRACK II conference, 26th of June 2009

I am writing to invite you to a workshop of the Association of Issuing Bodies' Government and Regulatory Committee (AIB GRC), to be held on 25 June 2009 in Brussels and to the final conference of the "E-TRACK II" project, which will be held on 26 June 2009, also in Brussels.

The <u>AIB workshop</u> is to discuss topics related to disclosure of electricity (such as rules for disclosure and trade, avoiding double counting and calculating a "residual electricity mix") as required under Directive 2003/54/EC and the forthcoming new renewable energy Directive 2009/28/EC). Extension of AIB work on other forms of transferable certificates will also be discussed. Further details are attached. To register, please contact the Secretary General of the AIB (info@aib-net.org).

The <u>E-TRACK II project</u> is closely related to this activity, as it has produced the background and concepts which are being taken up by the AIB in its GRC workshop. The project, which is supported by the Intelligent Energy Europe Programme, examines the energy mix disclosure regime of all Member States (as required under Directive 2003/54/EC) and of the "guarantee of origin" regime (required under Directive 2001/77/EC, Directive 2004/8/EC and the forthcoming new renewable energy Directive 2009/28/EC).

Broadly speaking, the project finds that a significant number of Member States have not yet properly implemented both the regulations on electricity disclosure and on guarantees of origin in their national regulations. The draft inventory report can be found at http://www.e-track-project.org/docs/E-TRACKII%20WP2%20Report%209.15.pdf.

The project consultants have had in depth discussions with all Member States and the findings appear both accurate and disconcerting, given the state of implementation of these aspects of the Directives. In this area there is great scope for coordination of Member States' activities; indeed the project recommends a standardised approach which could serve as a model in a number of Member States.

Given this state of play, your Government's participation at this conference would be an excellent opportunity to review your and other Member States' practices and to launch new initiatives to coordinate and improve the green energy disclosure regime across Europe.

The draft agenda and logistical arrangements are attached. To confirm your attendance at the E-TRACK II conference, please register at the project website http://www.e-track-project.org/events.php. For further questions please contact the project coordinator, Mr Christof Timpe, Oeko-Institut, e.V., c.timpe@oeko.de, Tel.: +49-761-452 95-25.

A dinner will be offered by the organisers to participants of both events in the evening of 25 June.

Hans van Steer

Head of Unit



AIB GRC workshop, 25th of June 2009, E-TRACK II conference, 26th of June 2009 Proposed invitation letter/email of DG TREN to Member States

AIB Government and Regulatory Committee (GRC)

Kick-off meeting: 14:00 - 18:00 on 25 June 2009 Hotel Amigo, Rue de l'Amigo, 1000 Brussels

The EU-Commission has recently faced a number of challenges in preparing the energy package, and in particular the new renewables Directive, which seeks to promote RES electricity and increase the share of renewable energy sources contributing to electricity production in the EU. Guarantee of origin support the achievement of this by providing an electronic document that ensures that the origin of electricity produced from renewable energy sources can be guaranteed as such, and have the sole function of providing proof to a final customer that a given share or quantity of energy was produced from renewable sources as required by Article 3(6) of Directive 2003/54/EC.

On 25 June 2009, the Association of Issuing Bodies (AIB) is organising a workshop in Brussels to create a forum for discussion and action on topics related to disclosure of electricity in the Internal Energy Market; and by extension the relationship between all forms of transferrable certificates and support schemes.

Who should attend?

Attendees at the GRC will include competent bodies from EU, ECSEE and EEA countries for regulation and control of electricity disclosure and Guarantees of Origin (GO) for electricity from renewable energy sources and high-efficiency cogeneration, including AIB members. It is possible that future meetings will also include bodies in charge of regulation and control of other types of energy certificate, such as GO for RES heat & cooling and biogas.

The GRC will meet once or twice a year, and elaboration of specific action points could be delegated to Task Forces, as appropriate. Discussion points for this meeting will include:

1. Redesign and harmonisation of disclosure

Several Member States have not complied with the provisions for disclosure under Directive 2003/54 concerning disclosure, while the implementation in compliant Member States could be improved and further aligned. The new RES Directive clearly defines the GO as the instrument for disclosure. Consequently, most MS will need to revise their legislation on disclosure.

The creation of a functioning Internal Energy Market is not only dependent on supranational grids, but can also be furthered by standardising products and procedures. MS will need to be advised on implementation issues by their local GO Issuing bodies and regulators.

This matter will also be addressed by the E-TRACK conference on 26 June 2009 in Brussels (see http://www.e-track-project.org/events.php for details).

2. Calculation of residual mix

A residual mix is currently calculated in a minority of the MS. Many others use uncorrected statistical data for disclosure purposes, which leads to double-counting of electricity attributes.

The methodological principles underlying this calculation are not always clear to the consumer, and differ from one MS to another. Further, the anonymous transfer of energy via power exchanges adds to the complexity of the calculation of a residual mix.

A reliable residual mix calculation must be based on consistent use of data, related to energy transfers and transfers of GO between MS. A harmonised approach with respect to residual mix calculation can avoid double counting and discussions between MS.

3. Prevention of double counting

The new RES Directive emphasises the uniqueness and reliability of the GO. Transparent description, harmonisation and review and audit of procedures are needed to guarantee conclusive proof to the consumer of the source of energy. Other types of disclosure instruments should be aligned with the GO.

4. Trade

Standardisation fosters trade, and therefore improves market functioning. With respect to support and targets, trade within the context of the cooperation mechanisms proposed by the RES Directive can help MS to reach their targets in a cost-efficient manner.

5. Possible future extension of scope towards relationship with support certificates

6. Relation with Markets

AIB has agreed to chair a separate Committee with market participants on a regular basis. Input from and to both committees could be one of the recurring agenda points.

Registration

Attendance at this workshop is free for governmental officials and regulators.

Please register before 12 June 2009 in writing to the Secretary General of the AIB, at the following address:

Association of Issuing Bodies 21/23 Station Road Gerrards Cross Bucks SL9 8ES United Kingdom

Tel: +44 (0)1494 681183 Fax: +44 (0)1494 681183 Email: info@aib-net.org

E-TRACK II - A European Tracking System for Electricity

Creating Transparency in European Electricity Markets

2nd European Conference on the future of energy certificate systems Brussels, 26 June 2009, 9:30 – 16:30

The 2009 Renewable Energy Directive establishes a new framework for the green energy market in Europe. It sets binding national targets for the development of renewable energies and establishes cooperation mechanisms which allow the Member States to reach these targets in a flexible way. At the same time the Directive improves the definition of the Guarantees of Origin, which allow energy producers and retailers to demonstrate the green origin of their electricity. This may be possible in the future also for green heat and cooling and for electricity from high-efficient cogeneration.

The new Guarantees of Origin will most likely become the backbone of the future green energy market, and they will also be integrated in the electricity disclosure requirement on the energy retailers in Europe. A maturing energy market will need Guarantees of Origin not only for renewable energy and cogeneration, but also for other parts of the generation mix. In order to serve their purpose, the Guarantees of Origin need to be harmonised and easily transferable across Europe. The electricity market also needs rules how energy should be disclosed to consumers in a reliable way, which can not be tracked back to its generation based on Guarantees of Origin.

The E-TRACK project has investigated these issues since 2005, and the results from this extensive research and stakeholder discussions will be presented at the conference. Confirmed speakers include: European Commission, European Parliament, The European Consumers' Organisation (BEUC), Association of Issuing Bodies (AIB), RECS International and members of the project team. Further presentations will be given by representatives of selected European countries and stakeholder organisations.

Venue

Flemish Energy Agency, Hendrik Conscience Building, Koning Albert II-Laan 15, Brussels

Who should attend?

Authorities and regulators dealing with electricity markets, electricity generators, traders and retailers, system operators, consumer and environmental organisations, energy certification bodies and consultants.

How to register

Participation in the conference is free of charge.

However, participants are asked to register online before 10 June 2009 via the E-TRACK project webpage: http://www.e-track-project.org/events.php

Pre-Conference Dinner

A Pre-Conference Dinner will be offered to registered conference participants.

This conference is supported by the Flemish Regulation Entity for the Electricity and Gas market (VREG).

Intelligent Energy Europe

E-TRACK II – A European Tracking System for Electricity

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Draft Conference Agenda

9:00	Registration & Coffee	
9:30	Welcome & Introduction	Christof Timpe, Oeko Institut
9:40	Keynotes	
	Electricity disclosure and Green Energy market – EU Policy objectives	Peter Vis, Member of Cabinet of Commissioner Piebalgs
	Quantitative targets, public support and voluntary demand for Green Energy – how do they fit together?	Claude Turmes, MEP
10.20	The policy framework for electricity disclosure and the Green Energy market	Diane Lescot, ObservER
10.40	The implementation of electricity disclosure and Guarantees of Origin in Europe	Mark Draeck, IT Power
11.20	Roundtable: What do consumers expect? (Moderator: Jaap Jansen, ECN) Expectations of domestic consumers (Michiel Karskens, BEUC) Overview: Expectations of commercial consumers (Dominik Seebach, Oeko-Institut) Discussion with the two speakers, N.N. (large consumer representative), N.N. (trader/broker) and N.N. (environmental NGO)	
12.00	Key recommendations from the E-TRACK project	Christof Timpe, Oeko Institut
12.20	Discussion	
12.45	Buffet Lunch and Coffee	
14.00	Panel: Country Features Chair: Tom Howes, DG TREN Presentations by representatives from four European countries	
15.00	The future development of the European Energy Certificate System as a European standard for Guarantees of Origin	Gineke van Dijk, Association of Issuing Bodies
15.20	Roundtable: Do we need a further harmonisation of the tracking systems for electricity? Claes Hedenstrom, RECS International; Jan van Aken, EFET (tbc); N.N., CEER / ERGEG; Christian Kjaer, EWEA (tbc); Christof Timpe, Oeko-Institut	
16.10	Conclusions of the Commission	Tom Howes, DG TREN
16.20	Concluding Remarks & Farewell	Christof Timpe, Oeko Institut
16.30	Coffee and Drinks	

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