

Eped European Platform Electricity Disclosure **RE-DISS**

Disclosure:
The EPED platform and the RE-DISS project
 (and how to join AIB, RECS International and EPED)

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 and Disclosure in the light of the new EU Energy Policy"

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A focus on consumers

- Electricity Disclosure and green power products enable informed choices by consumers.
- To determine the fuel mix and emissions for disclosure, a comprehensive "tracking system" is required.
- To prove the origin of a specific volume of electricity, a Guarantee of Origin (GO) can be used.
- Consumers have a right to be informed correctly. False claims must be avoided.

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What has happened so far?

- Liberalisation in electricity market and a growing green power market in Europe
- Electricity disclosure and Guarantees of Origin (GO) introduced by EU Directives
- AIB established the European Energy Certificate System
- E-TRACK I analysed the "tracking" requirements of disclosure
 - Recommendation for national/regional tracking systems
- E-TRACK II assessed GO and disclosure in Europe and gave more detailed recommendations on European cooperation in tracking systems
- New RES Directive clarified definition and role of RES-GO
- Start of the activity of the European Platform for Electricity Disclosure (EPED)
- Start of the RE-DISS project

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The E-TRACK recommendation for Disclosure

The diagram illustrates the E-TRACK recommendation for disclosure. It shows a flow from various energy sources (solar, wind, hydro, biomass) through a 'Supplier Mix' box to a 'Supplier' box, which then provides electricity to consumers (house and factory). A 'Domain Residual Mix' box is shown below the 'Supplier Mix' box, and a 'European Attribute Mix' box is shown below the 'Domain Residual Mix' box. Arrows indicate the flow of 'GO' (Guarantee of Origin) and 'RTS' (Renewable Tracking System) from the energy sources to the 'Supplier Mix' box.

What is EPED? / What is RE-DISS?

European Platform for Electricity Disclosure (EPED)

- A platform for Competent Bodies that are establishing a European standard for Electricity Disclosure.
- Founded by five Competent Bodies in Sept 2009.
- Aims at offering guidance to Competent Bodies on the implementation of reliable disclosure schemes.
- Unlimited duration.

Reliable Disclosure Systems for Europe (RE-DISS) project

- A project supported by the Intelligent Energy Europe program of the EU.
- Aims at establishing a Best Practice Recommendation for reliable disclosure.
- Will support EPED and Competent Bodies across Europe.
- Runs from 4/2010 to 10/2012

The objectives of EPED

- To deliver a disclosure standard which minimises (and eventually avoids) double counting of disclosure attributes in the European energy market.
 - The core of the disclosure standard is calculation of the residual mix.
 - To minimize double counting, the approach must be coordinated across Europe.
 - Double counting must be minimized in order to protect consumers against offers from suppliers based on false fuel mix calculations.
- To give guidance to national competent bodies on how reliable tracking systems for disclosure can be implemented properly.
- This includes, *inter alia*:
 - the implementation of a proper Residual Mix
 - the improvement of GO systems based on EECS
 - a clarification of the relation of support schemes to disclosure, where necessary
 - the identification of “other reliable tracking systems (RTS)” (other than GO and the residual mix) and their management in the residual mix calculations

The objectives of RE-DISS

- To support Competent Bodies across Europe in exchanging experience in implementing GO and disclosure.
- To identify potentials for improvements in current tracking systems and demand for cooperation across borders.
- To support a group of participating domains in actual improvements of their (advanced) GO and disclosure systems.
- To agree on a best practice recommendation for tracking systems which can be applied across Europe and to promote this recommendation in other European countries.
- To support also other countries in improving their GO and disclosure systems to the minimum standards of Directives.

Why do we need a European Attribute Mix? (1/2)

- EU Directives and consumer rights require GO and disclosure information to be reliable.
- Due to cross-border transfers of GO and physical energy, a fully reliable system cannot be ensured on a national basis alone.
 - Domestic calculations lead to double counting of green attributes.
- Uncoordinated residual mixes are currently the most relevant reason for double counting of green attributes. This puts the reliability of GO, disclosure information and of green products at risk.
- The introduction and use of the European Attribute Mix eliminates this error and significantly increases the reliability of disclosure information in Europe.

Why do we need a European Attribute Mix? (2/2)

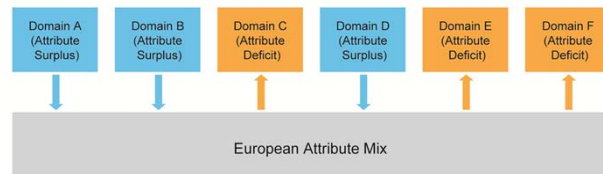


All export & import figures refer to net balances.

Overview of the Methodology (1/2)

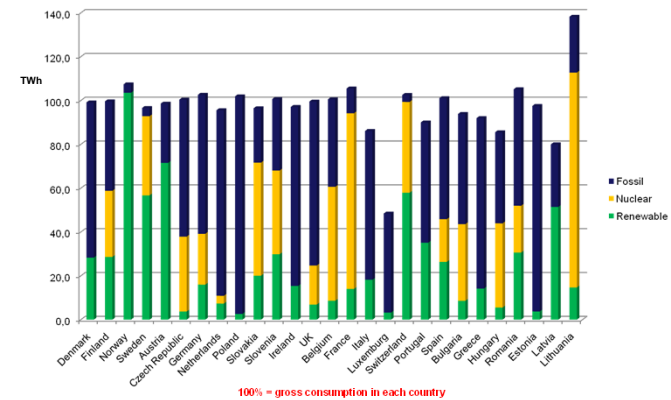
- Step 1: Preliminary residual mix in a Domain
 - Step 2: Determination of Attribute Surplus / Deficit
 - Step 3: Exchange with the European Attribute Mix
 - Step 4: Final residual mix for the Domain
- The implementation follows a pragmatic approach, by improving the calculations step by step.

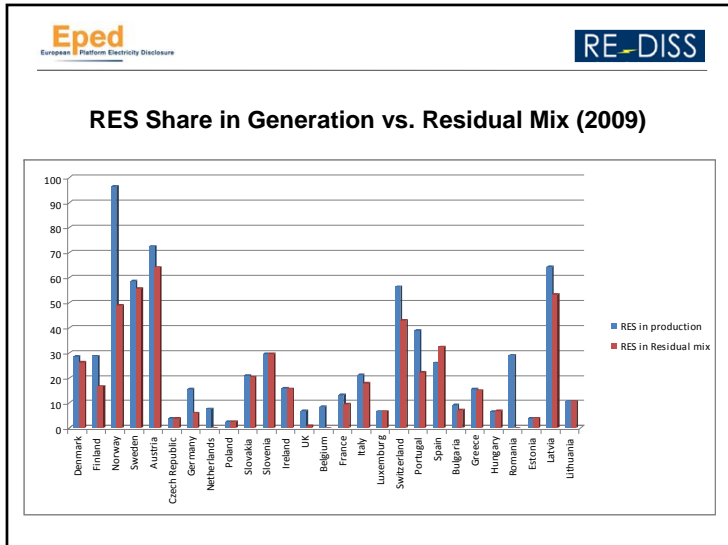
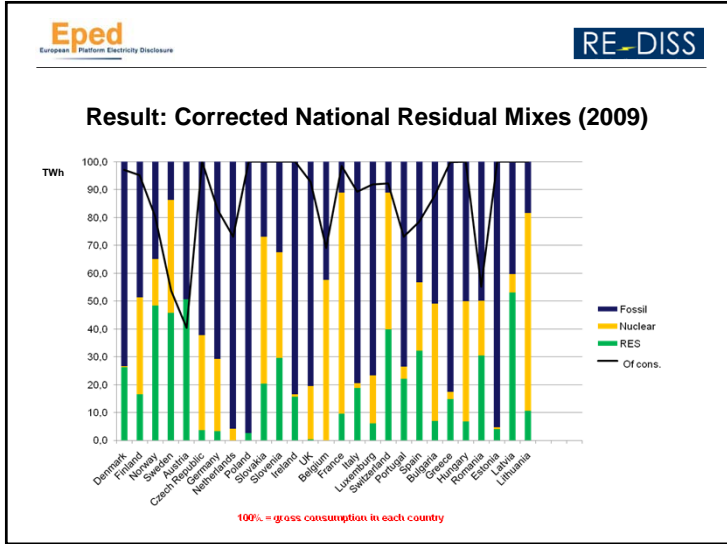
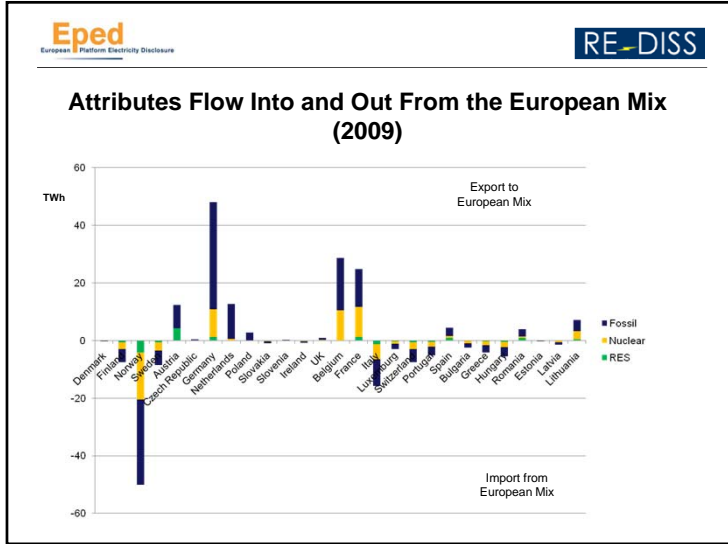
Overview of the Methodology (2/2)



- The European Attribute Mix is filled from the preliminary Residual Mixes of the Domains which have a surplus in attributes.
- The European Attribute Mix is used to fill up the Residual Mixes of the Domains which have a deficit in attributes.

Stating Point: Generation Mix (2009)





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Benefits of the European Attribute Mix calculations

- Regular updates of Residual Mix data for all European countries will be provided.
- Information on the European Attribute Mix plus a proposal for the Residual Mix in each Domain will be provided.

Competent Bodies of Domains which have an attribute deficit can either use the calculated Residual Mix directly, or they use the European Attribute Mix as an input for their own calculations.

- Competent Bodies will be supported to improve other aspects of their GO and disclosure systems.

Draft Best Practice recommendations on Guarantees of Origin (1/2)

- GO implementations should be based on the European Energy Certificate System (EECS) operated by the AIB.
- GO systems should be extended beyond RES & CHP to all types of electricity generation and all GO should be linked to disclosure.
- GO should be the only “tracking certificate” used.
 - Any other tracking systems of a similar purpose and function as GO should be coordinated and eventually converted to GO.
 - Besides GO, Reliable Tracking Systems (which may include contract based tracking), and the Residual Mix can be used.
- All products with claims regarding the origin of electricity should be based exclusively on cancelled GO.

Draft Best Practice recommendations on Guarantees of Origin (2/2)

- Member States should consider whether to refuse to recognise GO from countries that have not implemented standards which prevent double counting - e.g. proper determination of a residual mix.

How to support EPED and RE-DISS?

- Decide about participation in further discussions about the Best Practice.
- Consider own positions to the issues raised, consider further issues.
- Support data collection.
- Participate in the next workshops.

Join now!

EPED

- Competent bodies that have a role in the calculation and publication of general rules and data for disclosure purposes as well as Issuing Bodies for GO and related organisations are invited to join EPED. (In an ideal situation, all European countries will be represented in EPED.)

AIB

- Appoint a Competent Body and become an AIB member.
- Select, implement and test registry software.
- Draft a Domain Protocol, setting out how the GO system will operate in your country.
- Gain the approval of the AIB.

RECS International

- Market participants who want to be enabled to trade in renewable energy certificates.

Further Information

Website of the European Platform for Electricity Disclosure

www.eped.eu

RE-DISS project website

www.reliable-disclosure.org

E-TRACK project website

www.e-track-project.org

Website of the AIB and the European Energy Certificate System

www.aib-net.org

Website of RECS International

www.recs.org