



## Certification and disclosure: Renewables & Electricity Markets Directives

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## The EU regulatory framework

- Energy market liberalisation
  - » Including grid unbundling, market opening and consumer protection
- Pricing emissions in some sectors – EU ETS, & non ETS reduction targets
- The renewable energy Directive
  - » **Legally binding targets driving supportive national frameworks, inc. guarantees of origin**
- R&D support for development of clean technology (“SET” plan)
- Energy efficiency regime: eco-labels, eco-design, the Buildings Directive
  - » information to consumers, minimum efficiency standards for appliances & buildings

Forthcoming:

- Infrastructure Package: tackling grid bottlenecks, improved planning and EU financing
- 2020 Energy Strategy: focus on grid, market and renewables integration
- 2050 Roadmap: pathways to the low carbon economy.



➤ The EU framework for a sustainable energy sector

## Consumer protection & information

- ❖ Directive 2009/72/EC requires electricity suppliers to disclose their energy mix in the energy bills of consumers
  - Member States must ensure that the system of disclosure is reliable
- ❖ Directive 2005/29/EC (unfair commercial practices) is also relevant
  - ❖ It provides protection to consumers and prohibits traders from creating a false impression of the nature of products
  - ❖ It requires that information provided is specific, accurate and unambiguous.
- ❖ Directive 2009/28/EC (renewables) establishes an instrument for energy mix disclosure
  - The guarantee of origin...



## Guarantees of origin in Directive 2009/28/EC

- ❖ Guarantees of origin are certificates proving electricity is generated from renewable energy sources
  - must be issued upon request, used and cancelled within 12 months
  - independent national competent body for (electronic) issuing, transfers and cancellations to ensure accuracy, reliability and fraud resistance
  - Some standardisation (1MWh, date & country of issue & unique identification n°. date of energy production; age, location of installation..)



## ● Guarantees of origin in Directive 2009/28/EC

- ❖ Use: providing consumer information
  - may be used to meet energy mix disclosure requirements (not compulsory)
  - transparent, objective, non discriminatory criteria may be applied by Member States (“optional additionality”)
  - transfers require deductions from “source” supplier’s energy mix (no double counting)
  - provision of information on age of installation may also be required
- ❖ Commission supports initiatives to ensure guarantees of origin can usefully play a role in the consumer information market (e.g. E-TRACK/RE-DISS work supported by Intelligent energy Programme)

## ● Implementation phase

- All three Directives now being implemented
  - » RE-DISS project
  - » “Concerted Action” on implementing the renewables Directive, including GOs
- Time to make up for inadequate implementation of earlier Directives
- Broader? - open scope for widespread use of GOs for other energy sources (explicit in CEN work)
- Unique? – *not mandatory* as the sole instrument or certificate.
  - » However the requirement for accuracy and reliability should ensure that there is no duplication or double counting from different systems.
- Properly implemented, the GO can be a widespread instrument for certifying green energy, tradable across all Member States and driving consumer interest in green energy.
- Two follow up issues: coverage (AIB) & consumer buy-in (inc. additionality Q)

[http://ec.europa.eu/energy/renewables/index\\_en.htm](http://ec.europa.eu/energy/renewables/index_en.htm)

Thank you for your attention

