

# Tariff Structures IBs

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## 1 Introduction

In the past RECS-I has frequently pointed out the difference in tariff structures of the issuing bodies member of AIB. This has led to undesired situations like redemption of certificates in one country for electricity tracking in another country, because the tariffs of redemption were lower in the first country.

International trade is possible from any trade account in one of the participating countries. As a result of inconsistent tariff structures market players will open trade accounts in countries with the lowest costs.

## 2 What is the problem

- Trade accounts will be opened in those domains with the lowest costs and market players will attempt to redeem for electricity tracking in another domain, leading to unclear statistics on redeemed certificates.
- Differences in tariff structure create a distortion of the level-playing-field, giving a competitive advantage to market players in domains with lower costs over those active in domains with higher costs. The lack of harmonization of tariffs weakens market efficiency within the renewable certificate market.

## 3 What is the solution

- A start with streamlining the tariff structure must be made on a number of aspects:
  - The spread in the tariffs between (1) issue, (2) transfer and (3) redemption
  - Cross border corrections (compare post stamps...)
- It is suggested that the AIB starts issuing guidelines for these members.
- After some time these guidelines might become mandatory within AIB (?).

## 3 Conclusions

- Invite the AIB to come up with guidelines.
- Put a focus on redemption, rather on transfer and issue (with corrections for unbalanced situations: like post stamps).
- Follow up the proposals of RECS International for the redemption statements.