

SHAPING
AN EFFECTIVE
RENEWABLE
ELECTRICITY
MARKET

Open Markets Committee
Input RECS International

Date: Split, September 25, 2014

Agenda – Open Markets Committee

1. Opening
2. AIB's new Mission Statement and strategy
3. Expansion of EECS – new members / prospects
4. Overview of recent / upcoming work of RE-DISS II
- 5. RECS International topics / opinions**
 - a. Ex-domain Cancellations and improved statistics**
 - i. Result of RECS International letter**
 - b. EU Countries without well-functioning disclosure**
 - c. Know your customer**
 - d. Non-EU countries**
 - i. Pick-up, future of I-REC and work with AIB**
 - ii. Specific discussion of I-REC and the AIB**
6. Any other business

1. **RECS International topics / opinions**
 1. **Ex-domain Cancellations and improved statistics**
 - i. **Result of RECS International letter**
- RECS gave letter to AIB on July 22, 2014
 - RECS International believes that statistics about ex-domain cancelations are no different than other cancelation statistics
 - RECS feels that limiting this information is hurting market integrity
- Additional points on statistics
 - AIB statistics can be misleading for an outsider: Swedish GO versus EECS and non-EECS more generally
 - **Distinguishing nuclear, fossil and renewable is of the highest priority**
- Response AIB

1. **RECS International topics / opinions**
 - a. **EU Countries without well-functioning disclosure**
- RECS International accepts the opinion of the AIB Board
 - Disclosure is of a high importance and must be well regulated
 - Allowing countries to join EECS with restrictions is fine
 - Restrictions should be well defined in time
 - Consequences for not adhering to timelines must be clear
 - Effect on the market should analyzed in all cases
- RECS-I feels that proper disclosure policies are a common goal; Cooperation between the organizations is beneficial

1. **RECS International topics / opinions**
 - a. **Know your customer**

- Concern among members regarding the new forms
 - RECS International requests that information, like KYC forms, be first discussed with RECS
 - RECS can then discuss this and prepare their members
 - 'Blindsiding' clients with additional documents without a clear reasoning, future direction or consequence for non-compliance is illogical

We request that the AIB enter a dialogue with RECS International before their members send out KYC forms. KYC forms that have been sent in the last 6-months should also be discussed with RECS.

- New contracts for use of registries should be discussed with current account holders and/or RECS International before implementation

1. RECS International topics / opinions
 - a. Non-EU countries
 - i. Pick-up, future of I-REC and work with AIB

I-REC Standard is first a foremost a Standard!

Secondly I-REC Standard is a voluntary initiative, based upon third-party criteria (GHGP, CDP) to promote tracking systems where no reliable tracking system exists!

- A standard approach to tracking systems (laid out by EECS and US-RECs) is needed to guarantee high-quality and reliable tracking systems
- Import and export is *not* a goal itself, user friendly registries and client oriented systems are the priority
- Disclosure is of the highest priority, working together with CDP and GHGP guidance, I-REC will create annual residual mix calculations for areas where issuance is active
- No country will have I-REC Standard issued certificates without local government knowledge of its existence

- a. **Treatment of countries outside of AIB Membership**
 - i. **Specific discussion of I-REC and the AIB**
 - ii. **Specific discussion of I-REC and the AIB**

- **Phase out of RECS-certificate in Spain was an issue**
 - Market for renewables in Spain was collapsing
 - The existing GO system in Spain does not facilitate trade
 - I-REC provided a voluntary system (like EECS) to work in conjunction with (and not against, like RECS) the local Spanish-GO system
 - RECS International sees I-REC as the same as AIB, a standardized system for renewables
 - I-REC mentioned in their letter that they would work with EECS to get EECS implemented in Spain
 - EECS remains the priority of RECS, we see I-REC Standard as a partner of the AIB in Spain convincing the Spanish government that GO standards are needed

RECS International hopes the AIB and I-REC Standard will team up to meet with local Spanish government officials and get EECS implemented! *RECS-I members prefer EECS and will help!*