

AIB Newsletter, issue n°2

A word from the newly re-elected chairman of the board

Dear reader

The Association of Issuing Bodies (AIB) is the leading enabler of electronic interchange of Guarantees of Origin in Europe. All the countries trading with electronic certificates internationally in Europe are members of AIB today. The EU Commission endorsed the AIB standard for CHP guarantees of origin (Directive (2004/8/EC)) when it distributed the EECS PRO Chapter for CHP to Member States.

The objective of the AIB is to enable an internal market for guarantees of origin based on different Directives. The long-term goal is that Member States consider AIB standards to be the platform on which to base national implementation and support. AIB will be ready to offer support when Member States are ready to formalise and regulate these areas.

The EECS PRO (general rules) is about to be implemented in new national domain protocols by AIB Members. The advantages of this new set of rules include more specific terms for the lifecycle of a certificate from approval of production devices, all the way through to redemption. The PRO has also taken into account new parameters that are necessary to facilitate implementation of the European and national legislation regarding the RES-E and CHP guarantees of origin.

Some Members have already approved domain protocols (national rules) and the rest are planned for approval in June this year. Hopefully this will provide EU Member States with a platform for implementing Directives and national support schemes, and offering market players a level playing field within EU to exploit comparative advantages between countries. In addition, the AIB hopes this will simplify ministerial and trading processes in the future.

From 1st July 2004, suppliers of electricity in EU must disclose to end users the primary energy source of electricity (Art 3.6 Directive (2003/54/EC)). The purpose is to inform, educate and enable customer choice.

Until now the main focus of AIB has been on renewable energy sources. AIB has caught markets signals pointing at differentiated preferences on non-renewables also. To meet the future marked demands, AIB has developed a standard for *Disclosure certificates*. This standard can e.g. be used as a platform to meet the demand of end users with preferences to fossils over nuclear or vice versa.

To meet the future demands of the market, AIB is open for proposals and discussions regarding present and new solutions to enable well operating certificate solutions, and we will welcome market players, public officials and stakeholders' ideas and proposals.

Jon Hov Lauritzen
Chairman of the AIB board

AIB news

New schemes

Currently, EECS supports EECS-GO and RECS certificates for renewable source electricity, and EECS-Disclosure certificates for fossil and nuclear electricity. The AIB is now adding cogeneration to its portfolio, with CHP-GO certificates, and is working with the European Commission and industry bodies to make sure that CHP-GO certificates comply with Directive 2004/8/EC in a way which will make them attractive and useful to the market.

Statistics

In developing the current statistical report, substantial work has been done reviewing activity reporting, and in particular resolving differences in interpretation of the standard between registration databases. This has led to the development of a much better picture of international transfers and reveals a higher level of certificate transfers, clearly demonstrating the viability of an international market such that of the 120 million certificates issued to date, 33 million have been transferred internationally, and 60 million have been redeemed.

The major certificate issuing countries are now Norway, Finland and Sweden; with Netherlands and, to a lesser extent, Austria remaining the major redeemers. The largest exporters are Sweden and Finland; while Austria and Netherlands are major importers. Technologies have remained broadly the same, with hydro overtaking biomass, and wind increasing substantially.

The proportion of certificates that are redeemed has risen sharply to about 50% overall.



New web items

The website has recently been overhauled, following an upgrade to the supporting software, to bring it up to date. At the same time, a number of new items have been added:

- In particular, the AIB's EECS regulations have been added to - click the link to "The Principles and rules of Operation" on the homepage.
- There are also a series of "frequently asked questions" - select "Certification" and click "FAQ" - which seek to answer some of the questions which have been raised by stakeholders. These will be added to over time.
- Activity statistics have been updated as of early March 2006 - select "Certification" and click "Certificate Activity".

Over the next weeks, the sections on "Europe" and "Worldwide" will be developed, providing information about energy certificate systems in individual countries, and links to the relevant authorities

News from AIB members

3 new operating AIB members

Four Domain Protocols, which regulate the functioning of a national EECS scheme, have been accepted by AIB in March : Flanders (for GoO), Finland (GoO), Switzerland (RECS) and Sweden (GoO). Congratulations to the Issuing Bodies concerned : ETRANS (Switzerland), Grexel (Finland, Sweden) and the VREG (Belgium-Flanders).

GRTN

Gestore del sistema elettrico - GRTN is responsible, since September 2005, for the management of the new feed-in tariff system to PV plants. [Click here](#) to find a brief description of the mechanism that has been warmly welcomed from the market.

EU energy policy

Certificates to guaranty quality of biofuels

The Commission in its Biomass action plan refers to the monitoring of Members States' progress against the objectives of the Biofuels directive. It states that it will address the issue of counting biofuel consumption against the target through a system of certificates : « only biofuels whose cultivation complies with minimum sustainability standards will count. The system of certificates would need to apply in a non-discriminatory way to domestically produced biofuels and imports ». AIB is available to start a thinking process on how its successful experience in building a system of certification for green and conventional electricity and CHP electricity can serve as a basis for facilitating the Commission's recommendations regarding biofuels.

Visit our website: <http://www.aib-net.org>

