

AIB Press Release

Expiry of RECS certificates

19 January 2016



RECS certificates came into being during 1998-2001 during the RECS Test Phase, an initiative supported by the European Commission and seeking to pioneer international trade in voluntary renewable electricity certificates. The RECS Test Phase was a substantial success: it aimed to issue 60,000 RECS certificates, but in the event, 19 million were issued, and most of these were traded and cancelled!

At the end of the RECS Test Phase, to provide the independence required by the market, the AIB and RECS International came into being to supervise the continuing market for RECS certificates and to represent the interests of market parties respectively. These two associations represent and coordinate the activities of certificate system administrators ("issuing bodies") and market parties. While the two associations were initially closely linked, it soon became apparent that this was no longer appropriate. Hence the AIB and RECS International have been fully independent of each other since shortly after the RECS Test Phase. Both associations remain committed to a constructive dialogue, in order to improve the market for GOs both for market players themselves and for their consumers; and to develop and operate a vibrant marketplace which will enable the delivery of accurate, reliable and fraud-resistant information to all consumers.

With the inception of the Guarantee of Origin (GO) under European Union law, the role of RECS certificates became progressively marginalised to the point where the AIB General Meeting decided that RECS certificates should not be issued after 31st March 2015, and that any remaining RECS certificates should expire by the end of that year. Consequently, since 1st January 2016 GOs, are the only renewable energy certificates supported by the EECS system.

A lot has happened to the member-base of the AIB over the last ten years: what started off as a small initiative of public and private stakeholders is now a recognised platform for national competent bodies for GOs. Furthermore, AIB is actively cooperating with the Concerted Action for the Renewable Energy Directive, under the guidance of its Policy Advisory Group.

The AIB's mission is "to Guarantee the Origin of European Energy", and therefore we support Guarantees of Origin (GOs) as the sole tracking instrument for electricity in Europe, as they provide the only certificate system with a solid legal basis. A European electricity disclosure system based uniquely on GOs would provide a reliable, even-handed and cost-efficient way of empowering consumers to choose the origin of their electricity. However, GOs currently are issued solely for electricity from renewable energy sources, and that produced by high-efficiency cogeneration so there is some way to go before this ideal is realised.

The role of AIB in providing reliable information to consumers about the source of their electricity has also been strengthened by its recent decision to expand its focus to address further aspects of the disclosure process. EECS currently tracks electricity from renewable sources and that produced by highly-efficient cogeneration in a reliable, trustworthy and cost-efficient way, eliminating double counting, and solely using GOs. It is truly a great system which could easily be used to track all of Europe's electricity. Please

read our reflection paper to understand more about our visions on how and why this could and should be achieved (http://www.aib-net.org/portal/page/portal/AIB_HOME/NEWSEVENTS/REFLECTION).

The Association of Issuing Bodies is the leading enabler of international energy certificate schemes. The AIB promotes the use of a standardised system, based on harmonised environment, structures and procedures in order to ensure the reliable operation of international energy certificate systems.

The AIB provides a well-tested standard for certificate trade - the **European Energy Certificate System (EECS)** - which is the basis for certificate schemes in 20 European countries and enables international trade. The knowledge of AIB is shared by available documents on Internet and by contacting the organisation.

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