

# Summary about the measures taken in RE-DISS participating domains to implement the project's recommendations

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## 1 Introduction

This document provides a country-by-country overview of the progress which has been made in the participating domains of the RE-DISS project. Further information and more details on the evaluation of these achievements are given in the RE-DISS “Report on Improvements Achieved by the Project based on the Best Practice Recommendation” (Raimundo et al. 2012), which is available for download from the RE-DISS website: <http://www.reliable-disclosure.org/documents>.

The annex to this document gives a visual overview on the progress made by domain.

## 2 Country-by-country overview

### 2.1 Austria

Since 2001 Austria has already in place a system for disclosure. In the first years disclosure was dealt with on county level, but since 2003 E-Control, the Austrian regulator is the central responsible body for market monitoring and checking of disclosure. Since 2003 E-Control is hosting a database to issue, transfer and cancel GOs. Austria is connected to the AIB HUB and using EECS certificates.

During the RE-DISS project the regulations underlying the disclosure and RES-GO systems have been revised to comply with the new RES-Directive.

At the beginning of the project Austria had already implemented some of the sets of RE-DISS BPR. During the project Austria improved its system by several recommendations.

The 12 month life time rule was implemented in 2011 to follow the BPR set 2. It is now guaranteed that old certificates are not used for disclosure purposes anymore. This leads to more transparency and reliability for the final customer.

In Austria GOs are issued for all types of electricity. Especially within the last two years the issuing of thermal certificates has raised due to the growing awareness of Austrian customers of having disclosed electricity displayed on their annual bill. Therefore BPR set 3b has been fulfilled.

Following BPR set 3c Austria has implemented GOs as the unique tracking system. All other types of certificates can only form an additional, second quality on a GO. In parallel Austria developed a set of regulations for the acceptance of GOs from foreign countries for Austrian disclosure purposes. This has been done in the disclosure by-law in 2011 and forms a reliable tool to hold the quality of disclosed certificates high.

For undisclosed electricity Austria used uncorrected ENTSO-E Mix data for implicit tracking. During RE-DISS the law changed. Renewables are deducted from the ENTSO-E Mix and form the basis for the display of disclosure for final customers. This significantly reduces the amount of RES in the total supplier mix in the “after RE-DISS” case and eliminates the change for implicit double counting of RES.

Even though most of RE-DISS BPRs are met in Austria, there is still room for improvements, the problems related with double counting of implicit and explicit tracking mechanisms and

loss of attributes and/or arbitrage have improved substantially through the implementation of the related BPRs during the project. Austria's main disclosure problems related with loss of disclosure information & intransparency for consumers and unintended market barriers have been completely addressed during the project.

It should not be concluded that by implementing the regulation that all RES should be filtered out of the default mix, Austria worsened its status in implicit disclosure. On the contrary, this ensures under all circumstances that Austrian GOs are not implicitly double counted. Furthermore, it can't be guaranteed that the Austrian residual mix remains greener than the ENSTO-E.

## 2.2 Flanders/Belgium

Flanders has implemented a fully operational disclosure system that should disclose the energy source in the fuel mix and environmental parameters (at a minimum CO<sub>2</sub> emissions and radioactive waste). However in reality only the fuel mix information has been under regulatory supervision, since the respective decree prescribes that secondary legislation would have to specify the obligation with respect to environmental information, and this legislation has not been published yet. Thus the disclosure of environmental information in Flanders is not mandatory at the moment.

At the beginning of the RE-DISS project Flanders had already implemented some of the elements described in the Best Practice Recommendations. During the project improvements have been made with respect to the disclosure and GO systems, most of them inspired by the RE-DISS project. The most important changes were the limitation of the lifetime of the GOs from previously five years to 12 months and the separation of the GOs from the support certificate, which will be implemented as of the beginning of 2013. Other improvements of the disclosure system were delayed due to intensive discussions on the support system.

Discussions regarding the rules for the recognition of GOs from other countries for disclosure purposes are still ongoing in Belgium.

Flanders has delivered input to the calculations of the RE-DISS European Attribute Mix, but the resulting output data and methodology of RE-DISS has not been used yet. Regarding implicit tracking, Belgium does not calculate and make use of a residual mix. Instead, the national production mix is used, from which the share of RES is removed.

## 2.3 Wallonia/Belgium

Different to Flanders, the disclosure system in Wallonia was already fully operational at the beginning of RE-DISS, including the disclosure of CO<sub>2</sub> emissions and radioactive waste. A number of recommendations contained in the BPR were implemented at this time as well, for example, the unique role of the GOs as explicit tracking certificate.

The Wallonian support system for RES-E and electricity from cogeneration is based on a support certificate, which was already separated from the GO at the beginning of the project.

Similar to Flanders, further improvements of the disclosure system were delayed due to intensive discussions on the support system and discussions regarding the rules for the recognition of GOs from other countries for disclosure purposes are still ongoing.

Wallonia has delivered input to the calculations of the RE-DISS European Attribute Mix, but the resulting output data and methodology of RE-DISS has not been used yet. Regarding

implicit tracking, Belgium does not calculate and make use of a residual mix. Instead, the national production mix is used, from which the share of RES is removed.

All in all there has not been much change in Wallonia during the project period regarding the implementation of the Best Practice Recommendations. However, the competent bodies of both Wallonia and Flanders have committed themselves to discussing the implementation of a harmonised disclosure methodology, based on the RE-DISS recommendations.

## 2.4 Denmark

During RE-DISS, Denmark improved its disclosure and GOs systems, and thus at the end of the project the systems were mostly aligned with the BPR (85% of all BPR have been implemented at the end of the project).

Major improvements include the introduction of a 12 months lifetime of GO after the end of the production period after which they expire and are collected into the residual mix. Both RES-GO and CHP-GO are implemented as based on EECS system (before RE-DISS also paper GOs were a possibility). The import of GO from non EECS members in Denmark requires a case-specific approval by Energinet.dk, and ex-domain cancellations are not possible in Denmark. During the project Denmark introduced a residual mix calculation that follows the methodology recommended by the project. The domain has been making use of the RM data provided by the project for cross-border adjustments (implementing in this way the complete set of BPRs related with RM calculation). The adoption of the harmonised residual mix calculation has eliminated the entire implicit tracking error: before the project no residual mix was calculated and more RES was being disclosed (12.9TWh) than after the project (7.6TWh) (WP5.1 Report, 2012).

Improvements on disclosure have also been registered during the project. The RE-DISS timeline for cancellation of GOs for disclosure purposes has been introduced (cancellations of GO relating to production periods in a given year X which take place until 31 March of year X+1 should count for disclosure in year X. Later cancellations should count for disclosure in year X+1) – implementing in this way the complete set of BPR 7 related with the timing for disclosure. Before the project, the GOs were already related to the disclosure year (thus no banking of GOs was allowed). However the timeline for cancellation of GOs for disclosure purposes was not align with the project's recommendations and with other countries across Europe. Moreover, during the project the tracking systems used for disclosure – GO, the residual mix and contract based tracking for fossil and nuclear – have been closely coordinated.

Furthermore, at the end of the project it had been clarified that disclosure of RES-E with or without green power quality labels was uniquely based on GOs and clear rules had been defined for claims which suppliers of (e.g. green power) can make towards their consumers. The Association of Danish Electricity Traders has together with among others Energinet.dk developed a Danish standard for 'green' electricity products that is publicly available (Danish website: [www.elpristavlen.dk](http://www.elpristavlen.dk)) and includes minimum demands in the description of the green products and what suppliers can claim in relation to climate effect.

## 2.5 Finland

The law which enforces these changes has not yet been ratified and the improvements are still subject to the ratification of the current law draft by the Finnish Parliament. Grexel, as the responsible RE-DISS partner for Finland, has had several meetings with the Ministry

preparing the legislation (Ministry of Employment and the Economy) as well as with the designated competent authority (Energy Market Authority) during the RE-DISS project.

#### 1. GOs as the sole tracking mechanism for renewable origin [18,23,24,31,38]

Before RE-DISS, private green labels and contract-based tracking were allowed to be used for sales of green electricity products and to affect the supplier fuel mix. Currently sales of renewable electricity products as well as deviation from the residual mix in the supplier mix (regarding the share of RES) necessitates a cancellation of GO.

#### 2. Lifetime of GOs limited to 12 months [3]

Before the RE-DISS project, the lifetime of guarantees of origin in Finland was not limited, which was conflicting with both RE-DISS BPR and the Directive 2009/28/EC.

#### 3. Defined disclosure periods and cancellation deadlines [5,6,34]

Before the RE-DISS project there was no restrictions on the timeframe for disclosing year X electricity consumption with cancellation of GOs. Currently all GOs relating to year X disclosure need to be cancelled by 31.3.X+1, which is according to the RE-DISS BPR.

#### 4. Residual mix is calculated for the Finnish domain instead of the Nordic [28]

Before the RE-DISS project, the Nordic residual mix was used for default disclosure in Finland. This led to double counting of RES in case the Nordic residual mix was greener than the Finnish national one. After the project, the national mix of Finland is used.

## 2.6 Italy

The situation at the beginning of the project was that disclosure was not yet implemented in practice, although regulations were there, which foresaw a calculation by GSE to exclude tracked green attributes from the national production mix from 2011 onwards. GOs were issued not in electronic format but were issued as paper GOs. The legislation for disclosure foresaw that bilateral contracts could be used, as well as GOs, RTS (support schemes) to track green attributes. Imports of GOs were accepted only if they were linked with imports of physical electricity as they were used for quota exemption by importers. And because disclosure was not implemented in Italy, large volumes of GOs from other EU countries disappeared into the Italian “blackhole”.

In the course of the project, a new decree from 6<sup>th</sup> July 2012 (art 31) stipulated that only GOs can be used to track green attributes in the supplier mix. At the end of the RE-DISS project, supplier mixes have to be based on GOs, EU 15 ENTSO-E mix for imports, or the national residual mix calculated by GSE for purchases on the market.

Another area of progress was made in the regulation of imports. Imports of GOs will be accepted independently from imports of physical electricity as of disclosure related to year 2012.

Further progress is to be expected on the GO side: discussions were going on at the end of the RE-DISS project to issue GOs under the EECS format. GSE is an AIB member already for RECS and is contemplating phasing out RECS certificates in Italy.

## 2.7 Luxembourg

In Luxembourg a disclosure system was initially put in place during the project requiring disclosure of product mix, total supplier mix and national reference mix (for RES, fossil, nuclear and unknown origin) for the calendar period on September 1<sup>st</sup> of the following year. In terms of the GO system, no improvements with respect to the RE-DISS BPR have been registered during the project, as there is no CHP-GO system in place yet and the RES-GO legislation continues to be based on the 2001 Directive rather than the 2009 RES-Directive. However, the technical requirements of the 2009 Directive are fulfilled.

Although no major overall improvement was registered (before the project 19% of the BPRs were in place and after the project 38%), improvements have been made in terms of the adoption of a residual mix calculation, disclosure schemes and RTS, contract based tracking, timing for disclosure as well as in the implementation of some of the further recommendation on disclosure. These improvements were mainly due to the implementation of the disclosure system in Luxembourg. In terms of the residual mix, Luxembourg did not fully adopt the methodology proposed by RE-DISS during the project. It uses the ENTSO-E mix with all RES being deducted for implicit disclosure. This likewise excludes double-counting of RES attributes.

## 2.8 The Netherlands

The Netherlands had already before the project systems in place for disclosure, RES-GO and CHP-GO. At the beginning of the project the Netherlands had already implemented half of the BPRs proposed, whereas no complete set of BPR was fully in place. Through the duration of the project, a further moderate progress was made in terms of the adoption of the BPRs (66% of the BPR were in place after RE-DISS).

During RE-DISS the Netherlands have banned ex-domain cancellations unless in cases where there is no possibility for a secure electronic transfer and there is an agreement between the competent bodies explicitly allowing for such ex-domain cancellations. The Netherlands also provide statistical data on all ex-domain cancellations to support the residual mix calculations. Furthermore, the GO system in place was in principle extended beyond RES and HE-CHP to all types of energy generation having at the end of the project a full disclosure scheme based on EECS (besides CHP).

The Netherlands have made efforts in regulating CBT and have improved the calculation of the Netherlands residual mix by clarifying the way in which CBT was used in the calculation. Further progress has been made in the implementation of the BPRs for recognition of GOs imported from other countries, and in the implementation of the 12 month lifetime rule, which was not formally in place before the project.

## 2.9 Norway

At the beginning of the project, Norway had already a disclosure and RES-GO system operational. CHP-GO was implemented by primary legislation, but no system had been put in operation. During RE-DISS, the Norwegian CHP-GO became at least in principle operational. With the RES-GO system already having been quite advanced before RE-DISS, legislation was passed in Norway during the project to make the system comply with the RES-Directive requisites. The disclosure system and GO system in place in Norway already accords to

many of the RE-DISS BPR. Prior RE-DISS the systems already contemplated the adoption of 68% of the RE-DISS BPR and at the end of the project 79%.

During the project, Norway has banned ex-domain cancellation except for cases where no technical transfer is possible and provided that there is an explicit agreement between the two affected competent bodies allowing for such ex-domain cancellation. Moreover, Norway has clarified the relation between the support scheme for RES, which has been launched in 2012, and GO on the one side and GO and disclosure schemes on the other side. Norway has also introduced expiry for GOs 12 months after end of production period. However, national residual mix as calculated by the regulator NVE currently includes all active GO in the Norwegian registry after the deadline of 28<sup>th</sup> February without requiring expiry at that time, thus leaving the possibility for double counting of these GO if being exported and disclosed abroad. Before the project, the country already calculated a residual mix. However, this calculation was not harmonised, missing attributes were disclosed as unknown and no environmental parameters were disclosed. During the project the residual mix calculations were improved by taking RE-DISS Residual Mix figures into account for unknown shares. However, the timing of calculation of the national residual mix currently does not allow to include RE-DISS European residual mix figures in the first publication (for disclosure of year X the first publication of disclosure information is carried out in April of year X+1), but those are included in a later publication in June of X+1. From disclosure year 2012 onwards the timing for disclosure will be changed: timing for the cancellation of GOs will be changed to the 31<sup>st</sup> of March of the year X+1 as recommended by the project and the disclosure figures will be published only once and will include the European residual mix figures. Norway still differs from BPR in not accounting for active GOs (but NVE has announced that this will be changed as of disclosure year 2012 as well).

## 2.10 Sweden

In 2011, the Energy Market Inspectorate issued disclosure regulations (EIFS 2011:4) based on comprehensive guidelines<sup>1</sup> on disclosure in Sweden issued earlier that year. The changes will be applied for the first time for the disclosure of 2012. Grexel, as the responsible RE-DISS partner for Sweden, has been in contact with the Energy Market Inspectorate and the Swedish Energy Agency, which cooperate in establishing disclosure practices in Sweden. Grexel has provided requested data to both bodies to support their work in ensuring reliable disclosure.

### 1. GOs as the sole tracking mechanism [17,18,23,24,31,29,30,38]

Before RE-DISS, private green labels and contract-based tracking were allowed to be used for sales of electricity products and to affect the supplier fuel mix. Currently all electricity products as well as deviation from the residual mix in the supplier mix necessitates a cancellation of GO.

### 2. Lifetime of GOs limited to 12 months

Before the RE-DISS project, the lifetime of guarantees of origin in Sweden was not limited, which was conflicting with both RE-DISS BPR and the Directive 2009/28/EC.

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[http://www.ei.se/Documents/Publikationer/rapporter\\_och\\_pm/Rapporter%202011/Ursprungsmarkning\\_av\\_el\\_%20EIR\\_2011\\_10.pdf](http://www.ei.se/Documents/Publikationer/rapporter_och_pm/Rapporter%202011/Ursprungsmarkning_av_el_%20EIR_2011_10.pdf)



### 3. Defined disclosure periods and cancellation deadlines [5,6,34]

Before the RE-DISS project there was no restrictions on the timeframe for disclosing year X electricity consumption with cancellation of GOs. Currently all GOs relating to year X disclosure need to be cancelled by 31.3.X+1, which is according to the RE-DISS BPR.

#### **2.11 Switzerland**

Before RE-DISS Switzerland had already implemented systems for disclosure and for RES-GO. In terms of an improved implementation of the BPR, improvements have been registered in Switzerland during RE-DISS; before the project 26% of the proposed BPRs were already implemented and at the end of the project 46% were implemented.

During the project, issuing of GOs for different energy sources has been implemented (this considering the new legislation that will enter into force from 2013 onwards). The GO system is planned to be mandatorily extended to all sources of energy (including nuclear and fossil, so also CHP production is covered by GO) for production over 30 kVA from 2013 onwards. Thus, by that time these GOs will have to be registered in the national GO system. These GOs will fulfil the general requirements for GOs stipulated in Article 15 of the RES-Directive as well as conform to 2004/8/EC Article 5, except for not containing the calculation of the primary energy savings.

Ex-domain cancellations have been banned and there are no linkages to registries besides EECS for GOs transfers. Further improvements were also made in terms of the implementation of the 12 month lifetime rule. Nevertheless, GOs for production in the first quarter of a year in Switzerland after RE-DISS remain valid for more than one year after the end of the production period (at least until the end of April of the following calendar year) after which if not cancelled they expire. This contradicts the recommendation on 12 months lifetime of the GO proposed under this BPR set by the project.

Moreover, Switzerland has implemented a disclosure system only taking explicit tracking into account. However, as there is no limitation on GO and other RTS, but with also still e.g. CBT being allowed, this development is not covered as progress in implementation of RE-DISS BPR. Still, this attempt to increase market differentiation by allowing only for explicit tracking in the national disclosure scheme still can be considered a generally positive approach.

# Annex

Figure 1: Actual improvements, evaluation matrix for the Participating Domains

		BPR No	Participating Domains							
			Austria		BE-Flanders		BE-Wallonia		Denmark	
			Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS
General	Disclosure system implemented	-								
	RE-GO system implemented	-								
	CHP-GO system implemented	-								
RE-DISS BEST PRACTICE RECOMMENDATIONS (BPR)	2. „12 Months Lifetime Rule“ for GO	1								
		2								
		3								
		4	NK							
		5								
		6								
	3a. Usage of EECS	7								
		8								
		9								
	3b. Issuing of GO for different energy sources	11								
		12								
		13								
		14								
		15								
	3c. GO as the unique “tracking certificate”	16								
		17			NA					
		18								
	3d. Recognition of imported GO	20	NK							
		21	NK							
	4. Disclosure Schemes and RTS	22								
		23								
		24								
	5. Calculations of Residual Mixes	25								
		26								
		27								
		28								
	6. Contract based tracking	29								
		30	NA	NA						
		31	NA	NA						
		32								
	7. Timing of Disclosure	33								
		34								
		35								
	8. Further Recommendations on Disclosure	36								
		37								
		38								
		39								
		40								
		41								
		42								

■ „in line“ with the BPR   
 ■ „almost in line“ with the BPR   
 ■ „not in line“ with the BPR   
 NA: „Not applicable“ or no longer applicable   
 NK: „Not Known“

Source: Raimundo et al. 2012

Figure 1a: Actual improvements, evaluation matrix for the Participating Domains

		Participating Domains							
		Finland		Italy		Luxemburg		Netherlands	
		Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS
General	Disclosure system implemented	-							
	RE-GO system implemented	-							
	CHP-GO system implemented	-							
RE-DISS BEST PRACTICE RECOMMENDATIONS (BPR)	2. „12 Months Lifetime Rule“ for GO	1							
		2		NK					
		3							
		4			NA				
		5			NA				
		6			NA				
	3a. Usage of EECS	7							
		8							
		9							
	3b. Issuing of GO for different energy sources	11							
		12						NA	
		13							
		14							
		15			NK	NK	NA	NA	
	3c. GO as the unique "tracking certificate"	16							
		17							
		18							
	3d. Recognition of imported GO	20	NA	NA	NA	NK	NA	NK	NK
		21							
	4. Disclosure Schemes and RTS	22							
		23			NA				
		24	NA		NA		NA	NA	
		25			NA		NA		
	5. Calculations of Residual Mixes	26							
		27							
		28							
		29							
	6. Contract based tracking	30							
		31							
		32							
		33							
	7. Timing of Disclosure	34							
		35							
		36							
	8. Further Recommendations on Disclosure	37	NA	NA			NA	NA	NA
		38							
		39	NK	NK					
		40							
		41							
		42	NK	NK	NK				NK

■ „in line“ with the BPR   
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Source: Raimundo et al. 2012

Figure 1b: Actual improvements, evaluation matrix for the Participating Domains

		Participating Domains						
		BPR No	Sweden		Norway		Switzerland	
			Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS	Before RE-DISS	After RE-DISS
General	Disclosure system implemented	-						
	RE-GO system implemented	-						
	CHP-GO system implemented	-						
RE-DISS BEST PRACTICE RECOMMENDATIONS (BPR)	2. „12 Months Lifetime Rule“ for GO	1						
		2						
		3						
		4			NA			
		5						
		6						
	3a. Usage of EECS	7						
		8					NK	
		9						
	3b. Issuing of GO for different energy sources	11						
		12						
		13						
		14						
		15			NK			
	3c. GO as the unique "tracking certificate"	16						
		17						
		18						
	3d. Recognition of imported GO	20	NA	NA	NK		NA	
		21						
	4. Disclosure Schemes and RTS	22						
		23						
		24	NA				NA	
		25						
	5. Calculations of Residual Mixes	26						
		27						
		28						
	6. Contract based tracking	29						
		30			NA	NA		
		31						
		32						
	7. Timing of Disclosure	33						
		34						
		35						
	8. Further Recommendations on Disclosure	36			NA			
		37			NA		NA	
		38						
		39	NK	NK				
		40						
	41							
	42	NK	NK	NK	NK	NK	NK	

■ „in line“ with the BPR   
 ■ „almost in line“ with the BPR   
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