Guarantees of origin for the Energy Community: how to move forward
Liesbeth Switten – secretary general AIB

Workshop Energy Community 24/11/2020
Guarantees of Origin: the principle for electricity...
Guarantees of Origin: the principle for gas

Guarantee of origin registry

Gas grid

Issuing  Trade  Cancellation / expiry

No mandatory disclosure supervision yet

Guarantees of Origin: the principle for gas
Association of Issuing Bodies (AIB): Member countries

• Not-for-profit Brussels-based association - AISBL
• Developer and custodian of the EECS standard
• 26 countries connected (29 members)
• All AIB's members are competent authorities for GOs
• About half AIB's members are also competent bodies for electricity disclosure supervision
• 5 AIB members assigned by their government for gas GO issuing – more to follow

The Association of Issuing Bodies ivzw (AIB) is a non-profit-making international association.
Size of the market for EECS electricity GOs

Average price 0.20-0.80 euro / MWh

Annual EECS transactions by transaction date (TWh)

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## What does a GO look like under EECS?

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<thead>
<tr>
<th>Energy Medium</th>
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<tbody>
<tr>
<td>Product</td>
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<tr>
<td>Unique certificate number</td>
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<tr>
<td>Production period (start and end dates)</td>
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<tr>
<td>Energy source</td>
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<tr>
<td>Type of installation</td>
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<tr>
<td>Production device info</td>
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<tr>
<td>Identity and country of originating member</td>
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<tr>
<td>Issue date</td>
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<tr>
<td>Identity and country of relevant competent body</td>
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<tr>
<td>Purpose</td>
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<td>Support received by type</td>
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<td><strong>Independent Criteria Schemes (Labels)</strong> *</td>
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</tbody>
</table>

*Yellow text: optional data field*
International transfers of electronic documents

2019: 600 million GOs cross border transfer
27 Domains

How?
- Standardised
- Automated
- Jointly operated

Why?
- Efficiency
- Trust
- Fraud prevention

Domains A, B, C, D, The HUB
Why have standards?

Try plugging that in!
Until REDII: the European Energy Certificate System (EECS)\textsubscript{AIB}

**EECS Rules**
- Certificate Administration
  - Core principles – objectives & aspirations
  - Plant registration
  - Certificate issue, transfer and cancellation
- EECS participation rules
  - Membership, admission, compliance, disputes & change
- Scheme specific rules
  - e.g. electricity, gas ...

**Detail**
- (“subsidiary documents”)
  - Decision-making – disputes, voting etc
  - Registry system & networking standards
  - Approval of agents
  - Change management
  - Assignment of codes
  - Audit & periodic reviews

**Dynamic information**
- (“fact sheets”)
  - Addresses, membership details, codes, guidelines ...

**Domain protocols**
- Description of regulations in a specific country

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- “Member States and designated competent bodies shall ensure that the requirements they impose comply with the standard CEN- EN16325”
- Transposition by 30/6/2021

EN16325: standard on guarantees of origin related to energy

- Drafted in 2013, updated in 2015
- Revision opened 7/2/2020 in CEN Joint Technical Committee 14 Working Group 5
- Aim:
  - Facilitate multi-energy carrier,
  - Update towards REDII,
  - Integrate improvements from practice
CEN-CENELEC

Revision process EN16325
- JTC14 WG5
  - Subgroups for electricity, gas, hydrogen, heating & cooling
  - Steering group
  - Plenary meeting WG5 phrases “Recommendations”
- National standardisation committees decide by vote

FaStGO

Text proposal EN16325, arguments and consultation takeaways
- Headlines:
  - Based on EECS, though keep operational details flexibly adaptable between issuing bodies
  - Generic GO system for multiple energy carriers
  - Energy Carrier Conversion
- Extending the definition of disclosure beyond suppliers
- GO scheme assessment may be required by IB at new import
- Disclosure statements and supervision
- Consumer trust: Same scope for GO issuing and disclosure
- Financial fraud prevention
EN16325:
Principles for reliable GOs

- Being discussed in CEN, in addition to EECS today:
  - Data field on the GO “Type of Dissemination of the physical energy”
  - GOs for heating and cooling – new attributes e.g. temperature range
  - Hydrogen blending into the gas grid
  - Export & Import – maintain same perimeter as in residual mix

EECS:
Reliable and EFFICIENT operation

- EECS going beyond CEN
  - Operational details, needing flexible adaptation
  - IT facilitation of international transfers and joint needs
  - Platform for sharing experiences
  - Co-creation by issuing bodies
  - Standard procedures for robust decision making
Joining AIB: https://www.aib-net.org/aib/how-join

How to join

If you are an issuing body for GOs or voluntary certificates and would like to see how AIB works for yourself for a trial year at no cost, then you may apply in writing for “Observer” status. As an observer, you will naturally not be entitled to take part in decision-making, but your views will always be welcome.

If you are an issuing body for GOs or voluntary certificates and wish to join, then you must make formal application to the Association. Applicants have no voting rights, and can remain an applicant for one year (paying no membership fee) after which they must pay the membership fee. Once you have been granted membership of the AIB, you will be able to vote, and must pay the membership fee. Applicants and members have access to the public part of the website plus the relevant parts of the members section.

Download below the brochure ‘How to Join AIB’ for a high level explanation of the work of AIB, and of the EECS Rules. This document describes the process of gaining membership in more detail and explains how the membership fee is calculated.

If you wish to apply for membership, then you should do so by writing to the AIB Secretaries, and including a completed application form and questionnaire, which can be downloaded below too.

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Joining process – Scheme membership

The procedure for setting up an AIB infrastructure in a country is as follows:

1. **Appoint** an Issuing Body (but let’s pretend that you are ALREADY an Issuing Body) – start finding **insurance** – check **disclosure legislation**
2. If required, appoint **agents** to support the activities of the Issuing Body
3. Select, implement and configure registry **software** (develop its own software or use commercially available software)
4. Fill in the **Application form** and the Questionnaire (downloadable on the Website) and send it to the Secretary General
5. Draft a **Domain Protocol**, describing how the market will operate in your country
6. **Test** the interconnection of your registry with the AIB Hub
7. Gain the “**approval**” of the AIB Electricity Scheme Group
8. START registering plants, and issuing and transferring certificates
Orientated time schedule to join AIB

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<thead>
<tr>
<th>ACTIVITY</th>
<th>MONTH 1</th>
<th>MONTH 2</th>
<th>MONTH 3</th>
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<td>Apply for membership, completing the formal letter of application and questionnaire</td>
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<td>Draft the domain protocol</td>
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<td>Review domain protocol</td>
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<td>Test the interconnection of your registry with the AIB hub</td>
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<td>Gain the approval of the board</td>
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<td>Get the approval of the scheme group</td>
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<td>Possibility to have support by AIB</td>
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AIB is an Association financing itself via membership fees. The membership fees intend to share the costs of providing services equitably between members (explained in detail in Joining Brochure).
Before joining: observer status in AIB

- For Issuing Bodies (legislative or voluntary Certificates)
- Application to be sent to Secretary General or Board Chair
- Board grants Observer status
- Written Observer agreement incl. confidentiality and non-competition
- (Limited) access to website and meetings
- No voting rights
- First calendar year: free/cost-covering attendance fee
- After that: minimum membership fee (5,000 euro)
Benefits of joining AIB (1/2)

EECS standard developed jointly by all members according to EU Directives, requirements of EN16325 and member needs

• Both EECS and the AIB Hub are continuously improved
• Harmonised certification with specifics for gas/electricity
• Independent decision making regarding specifics for gas/electricity
• Dealing with 1 Hub connection instead of a lot:
  • Cuts down prices
  • Reduces workload
  • More safe/reliable 58 eyes are much better than 2
• Part of a “accredited authority”
• Peer-to-peer exchange of RELIABLE information
• Continuous best practices training
• Strong networking
• Tailor-made advice and expertise
Benefits of joining the AIB (2/2)

Becoming and being a member of the AIB

Being part of the process

Tailor made advice and expertise
Let’s move forward together...

You are welcome to become a member of the AIB... why not start as an observer?