

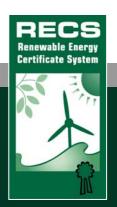
Certificate systems in Europe: state of the art

Peter Niermeijer Secretary General RECS International Athens, 19 November 2004



Outline of the presentation

- About RECS
 - RECS International
 - How does a certificate system work?
 - Association Issuing Bodies (AIB)
- Relation RECS and GoO!
- Closing remarks



RECS International

- Start up phase 2000
- Test Phase 2001-2002 Testing the systems
- Operational 2003-..... Shaping the market
- Non profit, European association based in Brussels
- Main goal is harmonisation of 'systems'
- RECS International, 119 members, 18 countries
- 57 TWh certified



Mission statement

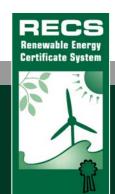
"RECS International promotes a pan-European renewable electricity market, facilitated by a commonly accepted and harmonised European information system"

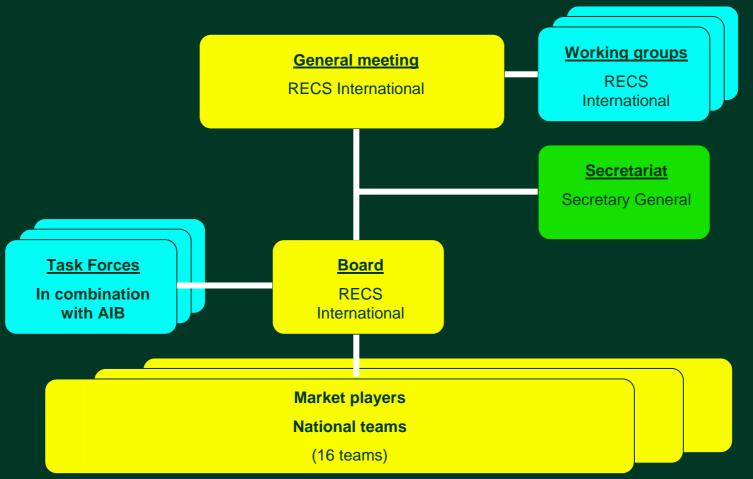


16 National teams

- Norway
- Sweden
- Finland
- Denmark
- Germany
- Netherlands
- UK/Ireland
- Belgium/Luxembourg

- France
- Spain
- Switzerland
- Austria
- Italy
- Portugal
- Slovenia
- Poland







Officials Board RECS International

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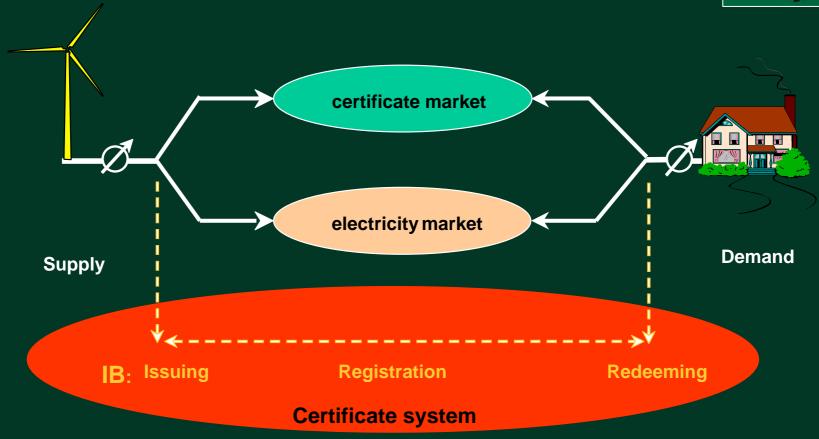
Secretariat

Peter Niermeijer

Secretary General

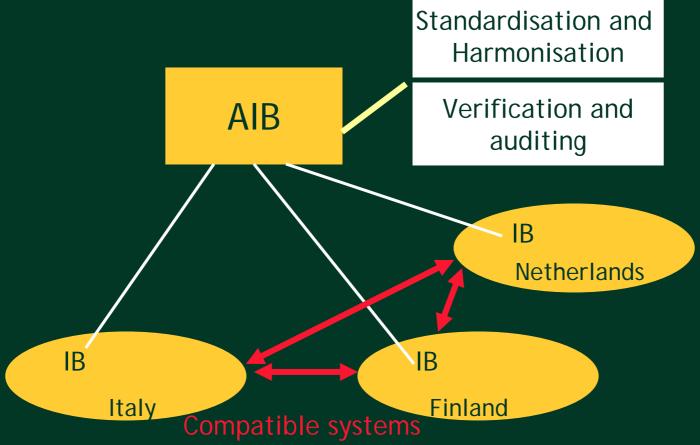








Principle of harmonisation





RECS approach

Split in responsibilities (Unbundling)

- 1. System operators (AIB): system aspects, standardisation and securing quality level
- 2. RECS International: market issues (demand side as well transparency of the market)
- 3. Governments: market regulations and appoint system operators

Three level approach

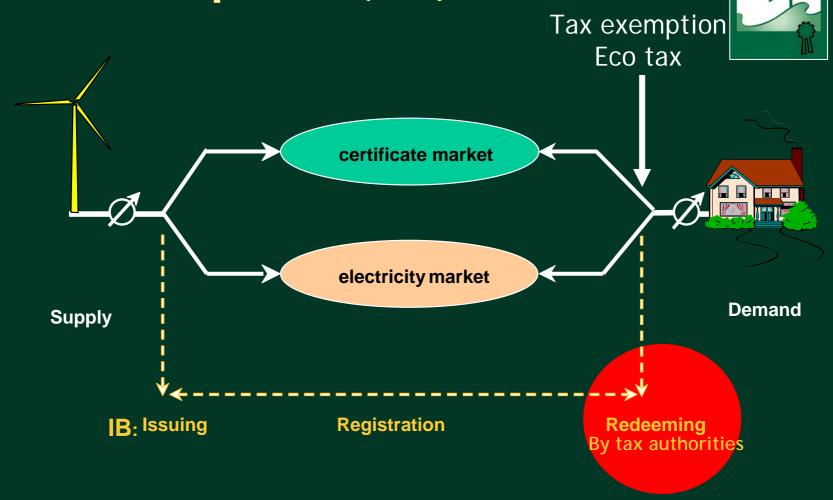
- 1. Harmonising national <u>systems</u> to make international transfers of 'information' possible (RECS)
- 2. Harmonising the <u>Demand Side</u> (road map)
- 3. Making the market working (liquid and transparent)



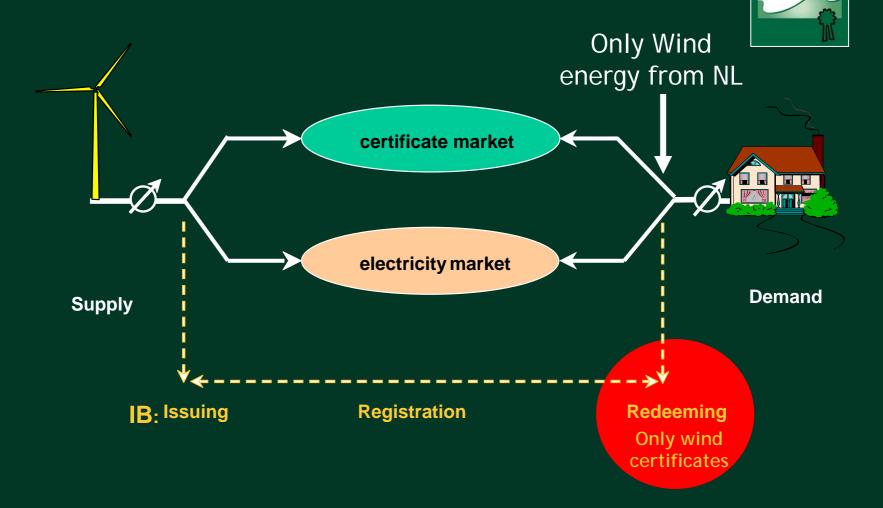
But

- A certificate system is NOT a goal in it self!
- A certificate system is NOT a support system
- The demand for certificates is a stimulant for renewable energy
- A certificate system is a "market facilitator"

Tax exemption (NL)

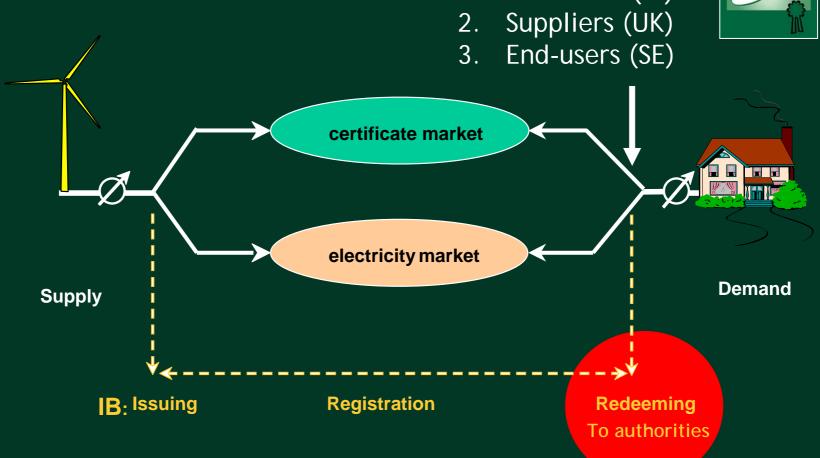


Labelling green energy

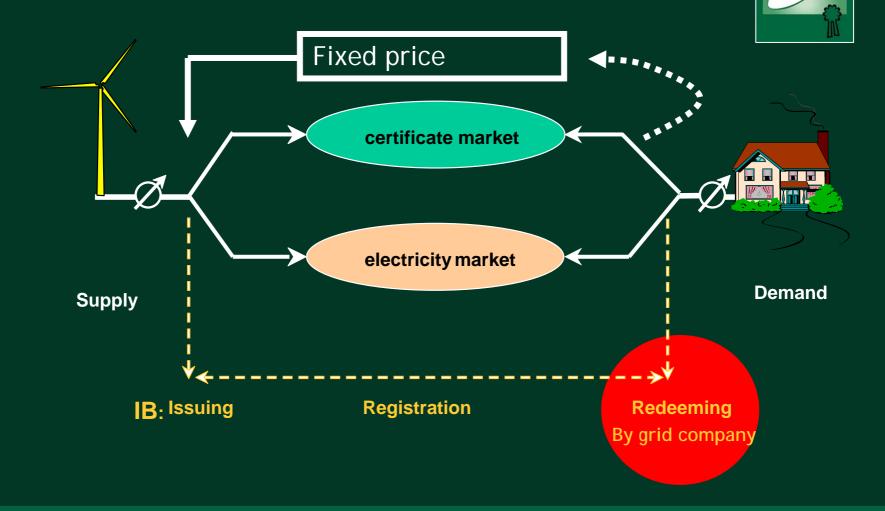


Obligations

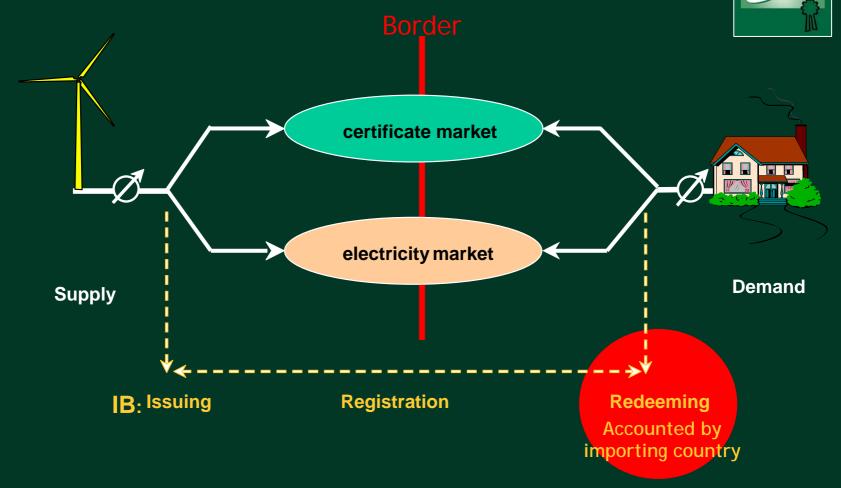
1. Producers (IT)



Feed-in systems



Target counting (disclosure)



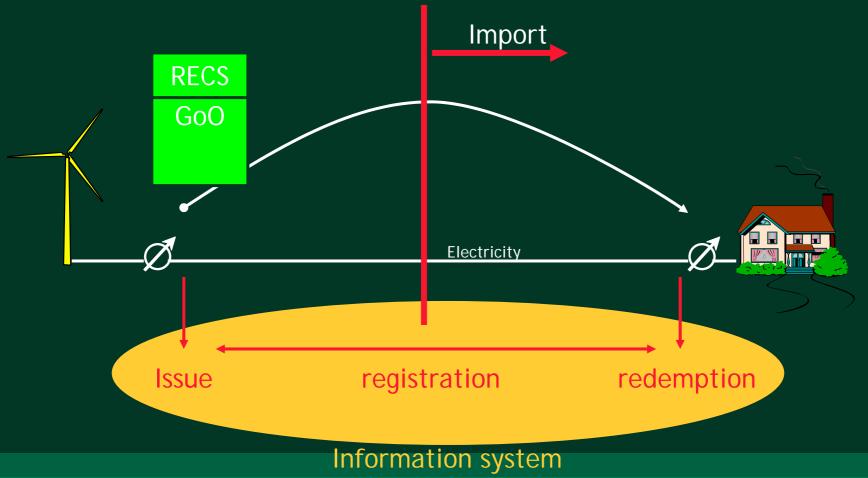


Summary use of certificate systems

- Voluntary schemes (with tax exemption)
- Labeling green energy
- Obligations (or quota systems)
- Feed-in systems
- Monitoring import and export (accounting for targets), and disclosure
- Monitoring in general

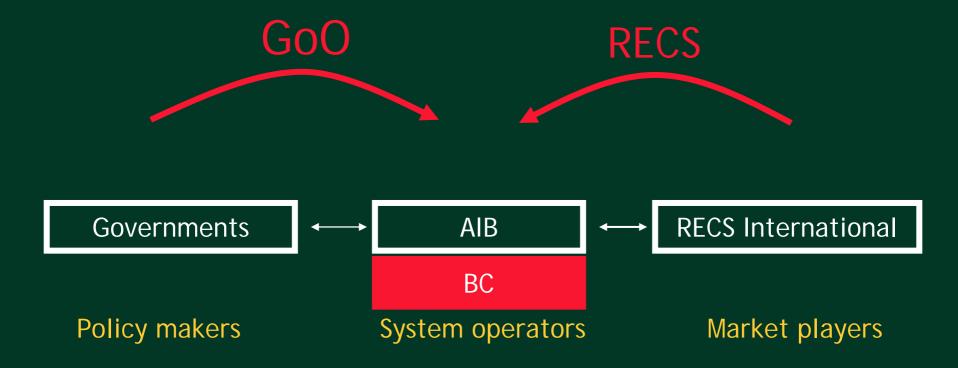


Relation RECS and GoO





Position RECS - GoO





Relation with the GoO

- The GoO is obligatory (art 5 RES-directive)
- Information: source, date and location (capacity for hydro)
- Uncoupled of physical flow and tradable
- RECS provides more information
- RECS provides the 'high way' to transfer internationally: interfaces between registries
- RECS is company based and GoO is government based



Standard for GoO

- AIB issued the standard for GoO: European Energy Certificate System (EECS)
- 6 countries have accepted the standard (SE, Fin, NL, DK, AU, GER)
- Provides recognition automatically between participants
- Needs promotion and the principle is not well known



Use of the GoO

- 1. Market facilitator for support mechanisms
- 2. Target counting for cross border trade
- 3. Disclosure

Governments are in charge and have to come with additional rules!



Closing remarks

- Make systems for GoO compatible
- International trade is there already
- The Greece issuing body is invited to join the AIB
- Greek market players are invited to become a member of RECS International





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Renewable Energy Certificate System (RECS)

The effective way to stimulate international renewable energy development

Mission Statement

"A cost effective and reliable certificate system for renewable energy in Europe"

RECS advocates a standard certificate as evidence of the production of renewable energy and provides a methodology for trading or otherwise using it separate to the associated physical energy. This enables a market for renewable energy to be created, so prompting the development of new renewable energy capacity in Europe.

After a test phase sponsored by the European Commission and lasting two years, RECS - the initiative of European companies to create a voluntary market for green energy - has become a huge success. The Test Phase is now over, and RECS is operational.

Countries - of 18 European countries, 13 are now active, 2 are expected to commence operation soon and 3 further countries are making preparations.

Participants - 80+ members of RECS International are actively trading, and others are joining all the time.

Certificates - 22.5 million 1 MWh certificates have been issued, of which more than 8 million have already been used to guarantee to consumers the origin of the renewable energy they have purchased.

For more information, please contact the RECS secretariat at: info@recs.org

Test Phase sponsored by the European Commission





www.RECS.org
Or
Info@recs.org