

CEER Public Consultation Paper on Advice on “green” electricity

Reply by the RE-DISS II Project Team (Draft)

Status: 6. February 2014

Public consultation questions

- Q1)** Do you agree that further improvement is needed concerning the terminology that is used to inform the customer on electricity offers based on renewables and to promote these offers in marketing?

Reply by EnergieVision e.V.:

EnergieVision wants to stress that marketing of plain book&claim RES-E products with obviously “positive” environmental attributes like “green electricity” shall be avoided, unless a clear additionality aspect can be assigned to that electricity offer. For this, a stricter regulation might be helpful.

The same applies also for resulting carbon claims, both from the side of electricity suppliers with respect to their electricity products, but also for (commercial) electricity consumers who are referring to carbon effects of their electricity supply. It shall be avoided that consumption of “any RES” leads to low or even “zero” carbon claims by commercial consumers, without any additional environmental effect actually taking place.

It is important that electricity customers are provided with adequate, reliable and comprehensive information on the origins of their electricity. By having access to such information, customers can be empowered to choose their electricity supplier and electricity contract not only based on issues related to price. Empowerment of customers can be pursued in different ways:

In reply to the questions Q2 to Q 10 EnergieVision e.V. supports the view of the RE-DISS project team. See:

http://www.reliable-disclosure.org/upload/45-CEER_Green-Electricity-Questionnaire_reply-RE-DISS-II.pdf

- Q2)** Do you agree that all price Comparison tools should provide customers with an overview of electricity products, including specific information on the origin of the electricity that will be supplied?
- Q3)** Do you agree that the NRA (or other competent body) should develop a harmonised format on how information concerning the origin of electricity is displayed and should specify the level of detail required on electricity bills for this information?
- Q4)** Do you agree that two levels of information should be provided to customers? Complementing the bill, additional information such as the geographic origin, the technology and the product mix could be made available on the website of the supplier. In that case, a reference on the bill should draw customers' attention to this additional information.
- Q5)** Do you support the idea that if a supplier also publishes the product mix on the bill for some customers, the publication of the product mix should be done consistently for all of its customers in order to minimise the risk of "double counting" within one company?
- Q6)** Do you agree that the publication of an annual disclosure report by NRAs (or other competent bodies) is a good practice?

In addition to providing adequate information to customers, further development, improvement and integration of existing disclosure systems are necessary, if customer trust is to be strengthened and the EU's internal energy market further developed. CEER would welcome stakeholders' views on a more harmonised approach regarding:

- Q7)** Do you agree that further harmonisation of the existing disclosure systems on a European level necessary?
- Q8)** Do you agree that GOs should be used as a common and reliable basis for all disclosure systems?
- Q9)** Do you agree that the issuing of RES-GOs should be mandatory for all electricity produced with renewable sources?

GOs play a crucial role in providing electricity customers with reliable information on their electricity: GO is the only tracking mechanism with a clear legal basis. GOs contain a variety of valuable information (such as geographic origin, technology) that can stimulate customer interest:

- Q10)** Do you agree that issuing of GOs should be extended to all sources of electricity to make the basis for the disclosure system more consistent and reliable, but also to provide opportunities for market offers for electricity based upon specific non-renewable sources in a trustworthy manner? Should this be mandatory or voluntary?
- Q11)** Do you agree that the integration of electricity markets at European level should ideally be accompanied by actively developing a European RES-GO market?

Reply by EnergieVision e.V.:

EnergieVision supports the view of the RE-DISS project team in this respect.

In addition to that, it shall be highlighted that such international GO trade should still allow for distinction of GO according to any criteria which are considered relevant by consumers, including age of plants, received support, technology or geographic origin. In practice, this means that one joint market place (GO exchange) which considers GO as common good will not be sufficient to fulfil these needs for differentiation.

Recent developments in the renewables sector has led to a controversial debate about support schemes for renewables that also influence discussions on disclosure to a certain degree. In the light of this:

- Q12)** Do you agree that when informing customers about their energy, RES-support schemes and disclosure should be seen as separate issues with their own instruments?

Reply by EnergieVision e.V.:

EnergieVision generally supports the view of the RE-DISS project team in this respect.

In addition to that, EnergieVision wants to stress that particularly for premium "green" markets, distinction between supported and non-supported electricity might be of high relevance. Therefore, separation of support instruments and GOs as tracking instrument should in any case not mean that suppliers and consumers should not be able to distinguish between supported and non-supported RES-E.

- Q13)** Do you feel that it is necessary to recognise all GOs for disclosure purposes, irrespective of whether GOs come from supported or not-supported electricity?

Reply by EnergieVision e.V.:

EnergieVision generally supports the view of the RE-DISS project team in this respect.

In addition to that, EnergieVision wants to stress that particularly for premium “green” markets, distinction between supported and non-supported electricity might be of high relevance. Therefore, separation of support instruments and GOs as tracking instrument should in any case not mean that suppliers and consumers should not be able to distinguish between supported and non-supported RES-E.

Finally, the document covers issues related to "green" electricity labels, which are increasingly introduced in the market due to growing customer interest in electricity originating from renewable sources. Nonetheless, GOs are the necessary instrument for providing information to customers. Therefore, labels should not undermine the importance and reliability of disclosure systems.

Q14) Do you agree that "green" power quality labels should mandatorily be using GOs as their unique tracking mechanism?

Reply by EnergieVision e.V.:

EnergieVision does consider this a good practice. GO should be used as unique tracking mechanism at least as far as all relevant claims are related to the “supplied” electricity itself.

However, it shall be highlighted that quite some additionality aspects (e.g. related to green offers using the funds model) cannot be tracked by GO but have to be verified in parallel to GO and to electricity disclosure information in general.

Q15) Do you feel that it would benefit customers if a labelling model would be implemented alongside the GO, so that label(s) can provide "additionally" for those customers that demand it?

Reply by EnergieVision e.V.:

EnergieVision strongly supports the establishment and support of green labelling schemes for the verification of additionality claims. These labelling schemes should have a relevant and consistent position at least on national markets, so that consumers are not confused by too many different labels which are operating in “their” market (as the national markets are the scope which are relevant for consumers for choosing their respective electricity supply).

This should not mean that “regulatory” provisions for terminology would not be helpful in addition to that (see also answer to Q1).

Stakeholders are invited to participate in the public consultation which closes on 7 February 2014. The results of the consultation will be presented at a public hearing, which will take place in Q2 2014. Following this public hearing, CEER will develop its final advice, aiming to publish it around mid-2014.