

ok-power labelling of eco-electricity



1.

about ok-power



EnergieVision e.V. – publisher of the ok-power label

- > non-profit organisation
- > founded in 2000
- > purpose: to provide transparency for consumers in the eco-electricity market and orientation with the choice of green energy tariffs from suppliers who make a verifiable contribution to energy transition

Institutional members:

- Öko-Institut e. V.
- HIR Hamburg Institut Research gGmbH

Board of director:

- Dominik Seebach (Öko-Institut e. V.)
- Helfried Meinel



Facts & Figures:

- > 38 certified products
- > 35 provider + 44 distributors
- > 4,3 TWh certified electricity in 2023

ok-power means...

... quality eco-electricity

The label certifies green electricity tariffs from 100% renewable resources which are proven to make an additional contribution to the success of the energy transition.

... transparency

Certification is based on strict and standardised criteria. These are as public as the names of the power plants from which the electricity originates. The ok-power label is re-certified every year, so fulfilment of the criteria must be proven annually.

... neutrality

Both the certification and the ok-power tariff portal are independent. This means that they are not influenced in any way by supplier interests, advertising or commissions.

... trust

With the ok-power label, the non-profit organisation EnergieVision e.V. aims to support environmental and consumer protection in the energy industry as well as the energy transition. This is ensured, for instance, by a criteria advisory board with qualified experts from the energy transition.

... sustainability

The ok-power label signals consumers that the certified electricity tariff guarantees to contribute to the development of renewable energies. They can be sure that the provider is not financially involved in nuclear power plants, brown coal power plants or new hard coal power plants.

2.

ok-power-criteria



ok-power-criteria

mandatory criteria

ownership structure of
eco-electricity provider

consumer protection

environmental
requirements upon eco-
electricity production
plants

elective criteria

Purchasing
guarantees of
origin from new
plants or PPA

Initiation &
operation of new
renewable energy
production plants

crediting new-
construction
projects that did
not gain contracts

support for
innovative energy
transition projects

eligibility of
generation from
existing, previously
supported plants

Currently not approved
for more detail see
criteria catalogue

Mandatory criteria

Ownership structure of eco-electricity providers

- > No significant investments in **nuclear or coal-fired (lignite, hard coal) power plants**
- > Downstream investment: no significant **indirect or direct stake of 1 % or more**
- > Upstream investment: no significant **indirect or direct stake of 50 % or more**

Consumer protection

- > No minimum purchasing quantity for the customers
- > No fixed volume packages
- > No advance payments

Requirements for electricity production plants

- > Certified products must be sourced 100% from renewable plants
- > Generally, power plants from solar radiation energy, wind power, sewage gas and geothermal energy (outside protected areas) are eligible for recognition.

ok-power-plus

The premium label for the certification of total sales volume

- > The ok-power-plus label certifies green electricity tariffs from 100% green electricity providers.
- > All households and small commercial customers (generally up to 30.000 kWh p.a.) are supplied with 100 % ok-power-certified eco-electricity
- > While ok-power is purely a product label that is given to individual green electricity tariffs, ok-power-plus combines product and supplier labels in an exclusive certification.



Elective criteria 1: GO's from new power plants (unsubsidised)

Age structure of the electricity mix

- > At least **33%** of the green electricity supplied to end customers comes from new plants
- > Age limits for additional new plants:
 - Hydropower: 8 years
 - Wind power: 4 years
 - Photovoltaics: 5 years
 - Biomass: 4 years
 - Geothermal: 8 years

Power Purchase Agreements (PPA)

- > If the GO's come from plants financed through **PPA**, the age limits increase in accordance with the terms of PPA, across all technologies to a maximum of 8 years

Subsidised of power plants

- > The supplying power plants must not receive any governmental funding and must not be eligible for funding in accordance with governmental support schemes (like the German EEG)

Elective criteria 1: GO's from new power plants (unsubsidised)

Recognition of re-investment plants

- > With re-investment measures or large investments in maintenance, some electricity production can be recognized as electricity from new power plants.

Advantages of the criteria

- > Uncomplicated certification
- > Can be integrated into standard sourcing processes



Example: GO's from new power plants (unsubsidised)

- > Company U has **30,000,000 kWh** certified for 2019.
- > For at least **33%, i.e. 10,000,000 kWh**, of this certified electricity volume, GO's must be procured **from unsubsidised new plants**.
- > GO's must also be procured for the **remaining 20,000,000 kWh**.
- > Possible purchase of electricity from (unsubsidised) new plants:
 - > 2,500,000 kWh from 3-year-old wind turbines
 - > 5,000,000 kWh from a 7-year-old hydropower plant
 - > 2,500,000 kWh from a 30-year-old hydropower plant with recognised reinvestment

Elective criteria 2: Initiation and operation of new plants

Requirements for green electricity sales

- > At least **50 %** of the eco-electricity sales certified under this criterion are generated in new renewable energy plants initiated by the certification holder
- > The initiated electricity volume has a minimum share of 33% of the overall sales to households and small commercial customers

Eligibility of power plants

- > Accounting quotas result, depending on plant status:

Contribution	Year after commencement of operation	Recognised production in year
Initiation + own operating	1.-4.	100 %
	5.-10.	66 %
Initiation (with subsequent sale / without own operation)	1.-4.	100 %

- > Example:

If an eco-electricity provider sells a plant after initiating it, 100% of the projected annual output can be recognised each year over a period of four years.

Elective criteria 2: Initiation and operation of new plants

Advantages of the criteria

- > Existing commitment of the electricity generator is recognized
- > Commitment can be used for sales and marketing purposes



Example: Initiation and operation of new plants

- > Company U has total sales (to households and small commercial customers) of **60,000,000 kWh/a**
 - > It has **40,000,000 kWh certified** for 2019 according to the initiation criterion.
 - > **40,000,000 kWh** must be deposited with **GO's**.
-
- > The initiated systems must generate at least **50%** of the certified green electricity sales:
 - > 20,000,000 kWh/a
 - > Initiated electricity volume = 33 % of total sales
-
- > Company U has initiated two plants:
 - > Plant A was initiated one year ago and supplies 8,000,000 kWh/a.
 - > Plant B was initiated six years ago and supplies 19,000,000 kWh/a.
 - > The quantity from **plant A** is recognised at **100 %**, the quantity from **plant B** at **66 %**. This results in an initiation output of **20,540,000 kWh**.

Elective criteria 3: New construction projects without contracts

Requirements for green electricity sales

- > **This criterion may cover a maximum of 50 %** of the total certification quantity.
- > Recognition of 4 % of the planned investment amount as stranded investment if the provider is not selected in the tender.
- > Project development costs can be counted only once and may be spread over a period of 4 years at most

Calculation of the subsidies

- > 0.3 cents per kWh in general
- > 0.2 cents per kWh if the supplier certifies its entire sales volume and waives the use of the ok-power-plus label

Advantages of the criteria

- > Provider's commitment to the energy transition through participation in tenders is recognised and acknowledged for certification.

Example: New construction projects without contracts

- > Company U has not been accepted for a new construction project with a total volume of **€ 7,500,000**.
 - > ok-power recognises **4%** of these costs as **project planning costs**. This corresponds to **€ 300,000**.
-
- > Company U has **not certified the entire sales volume** with ok-power.
 - > Company U can have **1 kWh** recognised for **0.3 cents** of recognised project planning costs. In this case, this corresponds to **100,000,000 kWh**.
 - > Company U must also **certify at least 100,000,000 kWh using other criteria**.
-
- > Company V has certified the **entire sales volume with the ok-power label** and **refrains from using the ok-power-plus label**.
 - > Company V can have **1 kWh** recognised **for 0.2 cents** of recognised project planning costs. In this case, this corresponds to **150,000,000 kWh**.
 - > Company V must also certify **at least 150,000,000 kWh using other criteria**.

Elective criteria 4: GO's from previously supported plants

Requirements for the electricity mix

- > At least **33 %** of the certified quantity originates from wind power plants GO's whose support has expired
- > Examination of eligibility for recognition of other technologies
- > Some plants (e.g. in Austria) already fulfil this criterion today

Advantages of the criteria

- > Uncomplicated and simple implementation
- > Clearly visible contribution to the energy transition

Example: GO's from previously supported plants

- > The electricity provider has certified **30,000,000 kWh** for 2019 according to this criterion.
 - > At least **33% of the GO's** for this certified quantity of electricity must come from **previously supported plants**.
-
- > The subsidy for plant A **expired in 2018**.
 - > Company U procures **10,000,000 kWh from plant A in 2019**.
-
- > For the **remaining 20,000,000 kWh**, GO's must also be procured.



Elective criteria 5: Innovative energy transition projects

- > The electricity provider invests at least **0.3 ct/kWh** sold as a subsidy for innovative projects
- > The support contribution can be **saved for up to 3 years**.
- > Actions / projects must be **approved in advance** by EnergieVision e.V.

Requirements for innovative energy transition projects

- > Accelerating or qualitative effect on the energy transition
- > High quality & efficiency standards
- > No industry-standard measures

Investments in:

- > Own projects
- > Cooperation projects with third parties / financing of third-party measures
- > Joint projects of several providers

Elective criteria 5: Innovative energy transition projects

Examples for suitable measures

- > Efficiency strategies
- > Flexibilities
- > Innovative storage technologies
- > Demand side management
- > On-site electricity production with direct supply to tenants
- > Educational measures

Advantages of the criteria

- > Acquisition of new customers through local projects
- > Strengthening of the company's reputation
- > No dependency on new plant GO's
- > Gain in credibility

Example: Innovative energy transition projects

- > Company U **certifies 10,000,000 kWh** via the investment in innovative **projects** criterion.
 - > Accordingly, Company U pays **€ 30,000** into an **innovation fund**.
-
- > Company U uses this money to carry out projects recognised by ok-power that meet the above requirements.



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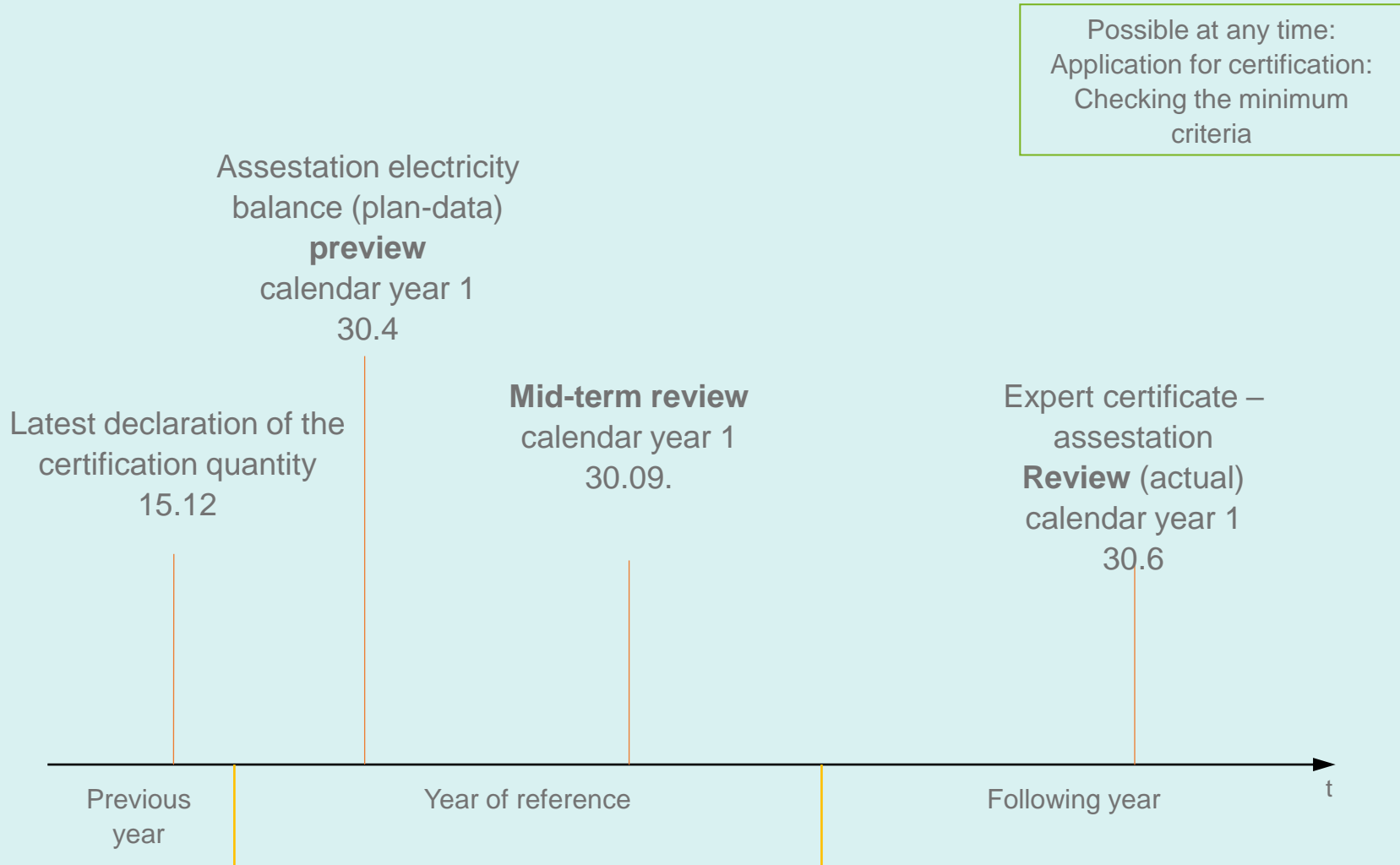
certification process



Certification process



Timeline and milestones



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