

## **Guidance for Organisations Requesting Recognition of EU Guarantees of Origin (GoOs) for use in GB Fuel Mix Disclosure (FMD)**

**April 2015**

This guidance note covers how suppliers should present the information to Ofgem if they are seeking recognition of EU GoOs for use in GB Fuel Mix Disclosure (FMD).

Please also refer to our main guidance document (Renewable Energy Guarantees of Origin (REGOs): Guidance for generators, agents and suppliers) for more details on Ofgem's function on recognising EU GoOs.

<https://www.ofgem.gov.uk/ofgem-publications/58836/rego-guidance-generators-agents-and-suppliers-june-2011.pdf>

This document is for guidance only. It is not intended to provide comprehensive legal advice on how the legislation should be interpreted. At all times, the onus is on the particular generator, agent or supplier to ensure they are aware of the requirements of the legislation

The CCL and REGO team, which is part of the Renewable Electricity Directorate of Ofgem E-Serve, administers the EU GoOs recognition process for FMD.

You can contact the CCL and REGO team using the details below.

Email address: [CCLandREGO@ofgem.gov.uk](mailto:CCLandREGO@ofgem.gov.uk)

Phone Number: 0207 901 7310 (Option 3)

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## 1. Introduction

### Recent trends

- 1.1. In recent years the volume of EU GoO requests received by Ofgem for use in FMD has increased significantly. In order to meet this additional demand, Ofgem has carried out a review of the existing EU GoO recognition process for FMD to establish a more robust and efficient new process.

### Purpose of document

- 1.2. This guidance note describes the improved process to be used when requesting the recognition of EU GoOs for GB FMD.
- 1.3. You should read it alongside chapters 7 and 8 of our main guidance document: Renewable Energy Guarantees of Origin (REGOs): Guidance for generators, agents and suppliers<sup>1</sup>, which contains more details on the applicable legislation in this area, and Ofgem's statutory role in recognising EU GoOs for GB FMD.

### Legislation

- 1.4. The Electricity (Fuel Mix Disclosure) Regulations 2005, No. 391<sup>2</sup> state:

“The licensee shall only rely on a guarantee of origin issued outside Great Britain or a generator declaration from a generator outside Great Britain where:

- (a) it holds evidence of supply in Great Britain of the electricity referred to in the guarantee of origin or generator declaration and
- (b) the guarantee of origin or generator declaration has not been used as evidence of fuel mix outside Great Britain.”

- 1.5. GB electricity supply licensees use renewable Levy Exemption Certificates (LECs) as a source of evidence of supply to GB from overseas.

- 1.6. For FMD, Ofgem will only recognise an EU GoO request that meets the specific criteria presented in chapter 7 of the REGO guidance. To ensure that the electricity in question has been supplied in GB, Ofgem also verifies that there are LECs associated with the GoO

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<sup>1</sup> <https://www.ofgem.gov.uk/ofgem-publications/58836/rego-guidance-generators-agents-and-suppliers-june-2011.pdf>

<sup>2</sup> <http://www.legislation.gov.uk/uksi/2005/391/made>

request, and that these LECs have been retired or redeemed. GB electricity supply licensees then use those recognised EU GoOs in their FMD submissions to DECC.

- 1.7. Recognised EU GoOs and LECs may also be used to identify green electricity which may be excluded from supply volumes in the Contracts for Difference (CFD) scheme. The Low Carbon Contracts Company (LCCC) manages the CFD scheme and is responsible for determining whether given quantities of electricity are green excluded electricity. Ofgem may assist LCCC in this determination by sharing information relating to which EU GoOs meet the additional CFD criteria. The data validation provided by Ofgem is based on the data submitted and recognised for FMD. For more details on LCCC please see <https://lowcarboncontracts.uk/>

## 2. EU GoO recognition process for FMD

### Old process (Disclosure periods before April 2014)

- 2.1. Historically we have accepted requests from many different organisations to have EU GoOs recognised on behalf of GB electricity suppliers for their FMD submissions.
- 2.2. Organisations emailed in GoO requests with cancellation statements in different formats from various EU Member States. This process was not standardised or automated. As such, it relied on manual data input and verification, which was inefficient and caused issues for all stakeholders.

### New process (Disclosure periods from April 2014)

- 2.3. Due to the significant increase in GoO recognition requests it is now necessary to streamline the process. This is required if we are to efficiently manage the volume of requests and ensure that statutory deadlines are met.
- 2.4. Going forward, GB electricity suppliers are expected to liaise more closely with the organisations they obtain EU GoOs from to ensure that GB electricity suppliers collate and submit in a consistent format, the correct information to enable Ofgem to recognise the GoO for GB FMD.

### Templates

- 2.5. The improved process requires suppliers to use a template email and a template GoO Excel spreadsheet to submit the required information. These templates will be available on the Ofgem website and the information on the “Ofgem Register Names” tab will be updated regularly. Please contact [CCLandREGO@ofgem.gov.uk](mailto:CCLandREGO@ofgem.gov.uk) if you have any questions on these templates.

2.6. Each supplier will maintain one Excel spreadsheet in which they present EU GoO information to Ofgem for the relevant annual disclosure period. For GB FMD the annual disclosure period is 1 April – 31 March. This spreadsheet will hold all EU GoO requests for that supplier for that year.

Completing the spreadsheet – suppliers

2.7. The “Front Page” tab of the template GoO Excel spreadsheet provides detailed instructions for suppliers on how to complete the spreadsheet.

EU GoO request email – suppliers

2.8. Once the spreadsheet has been completed, the supplier should send it to [CCLandREGO@ofgem.gov.uk](mailto:CCLandREGO@ofgem.gov.uk), making sure that the following conditions are met.

- The email follows the template email (Appendix 1), provided by Ofgem, which includes the signed legal declaration.
- The following documents are attached:
  - completed spreadsheet
  - original GoO cancellation statement(s) **in Excel format** and named as detailed in paragraph 2.10 below.
- The email subject line should include the following information (see example in paragraph 2.9 below):
  - date of request
  - GB electricity supplier making the request
  - volume of GoOs.

2.9. So, for example, a request from Supplier X made on 5 June 2015 to have 16,613 GoOs recognised for FMD should have the following subject line:

050615 Supplier X 16,613 EU GoOs

2.10. The GoO cancellations statements excel file names should be named using the unique transaction number on the statement. This number has to be exactly the same as the value entered into the column “Cancellation Statement Transaction Number” on the Tab “Supplier INPUT DATA”. This allows us to verify which cancellations statements refer to which lines on the GoO spreadsheet.

Receiving EU GoO master spreadsheet back from Ofgem

- 2.11. Ofgem may periodically carry out checks on all the data submitted since the previous check. Once those checks are finished Ofgem will complete the validation columns in tab “Supplier INPUT DATA” and refresh the “Front Page” tab to update the snapshot table. Ofgem will also update the “Ofgem Register Names” tab with the latest list of accredited stations eligible to receive LECs. Ofgem will then email the master spreadsheet back to the supplier.
- 2.12. For subsequent GoO recognition requests covering the same financial year, the supplier should use the same master spreadsheet and enter the new data from the next available free row in tab “Supplier INPUT DATA”. The process is then repeated as per steps 2.5 – 2.11 above.


Use in FMD and other schemes

- 2.13. This process allows suppliers to submit GoOs recognition requests for FMD throughout the annual disclosure period and build up the snapshot in the “Front Page” tab. On July 1<sup>st</sup> every year each supplier who has submitted EU GoO requests for the previous annual disclosure period will receive the final snapshot figure of EU GoOs recognised by Ofgem for FMD. This is the figure that the organisation can use in their GB FMD submissions to DECC.
- 2.14. Using the master spreadsheets of recognised EU GoOs for FMD for each supplier, Ofgem will compile a spreadsheet of all EU GoOs recognised for FMD for the financial year and publish it before the 1 October following the financial year. The published spreadsheet of EU GoOs recognised for use in FMD will then form the basis for determining/validating recognised green imports in other schemes, including CFD.

Previous holder of GoO and commercial sensitivity

- 2.15. Information on the previous holder of a GoO will not be published in the spreadsheet of all EU GoOs recognised for FMD. Market participants may wish to black out relevant confidential text on the previous holder in an Excel version of a GoO cancellation statement (See Fig 1). The file can then be password protected. Market participants should only use one password for all their cancellation statements. This password must be shared with Ofgem and LCCC to allow viewing of the information. Please note previous holder information is the only information that can appear like this. Please liaise with Ofgem if you require more clarity on this point.

Fig 1. Previous holder information on GoO cancellation statement

<b>From</b>	
Account Holder:	
Account:	
Domain:	
Street:	
Postal Code and City:	
Country:	

## Appendix 1 - Template GoO request email example with signed legal declaration

Email Subject: 050615 Supplier X 16,613 EU GoOs

Dear Ofgem,

I am duly authorised to request the recognition by Ofgem of 16,613 EU GoOs on behalf of Supplier X.

Please find attached the completed spreadsheet with the GoO details along with the original GoO cancellation statements.

“Information” Declaration

I confirm that:

- any information and/or calculations submitted to the Authority, on behalf of the supplier, is or will be complete and accurate, and
- I will not knowingly or recklessly submit information which is false and I am aware that doing so could result in a criminal prosecution.

Name

Job

Contact Details

Supplier Details (Supplier X, Address etc)

*Please note The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003 No. 2562 amended by The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) (Amendment) Regulations 2010 No.2715 state:*

*Where a competent authority has recognised a guarantee of origin in accordance with regulation 9 (2), it shall withdraw that recognition if it is satisfied that there is good reason to doubt the accuracy, reliability or veracity of the guarantee of origin.*