

**Minutes from the third E-TRACK Consultation Workshop for UK and Ireland****4<sup>th</sup> December 2006, 13.30-17.00**

Venue: Elexon, London

**Participants:**

## 1. IRELAND

- Eirgrid – Nezar Kalamuddin

*Excused:*

- Airtricity – Kim Scullion

## 2. UK

- EDF – Derek Scally
- RWE N-Power – Charles Unvala
- AEP – Sarah Merrick

*Excused:*

- Natsource – Fiona Santokie

## 3. Organised by:

- IT Power – Mark Draeck
- Pure Energi – Chris Pooley and Mike Sandford

For details on what was presented see the PowerPoint presentations in the annex of these minutes.

**PART I: INTRODUCTION***Status in IRELAND*

- ⇒ The start of the SEM (Single Electricity Market) is postponed until November 2007, due to remaining issues to be solved.
- ⇒ CER is expected to publish their report on disclosure soon.

*Status in UK*

- ⇒ The current disclosure system is based on GoO (RE-GO) and generator's declarations. Theoretically double counting can take place when the disclosed electricity is imported. According to the market players this has not happened thus far, and the generator's declaration should be acknowledged as an important proof of the electricity's origin.
- ⇒ The general impression is that the existing system is sufficient as it is, and the benefits of a more sophisticated system like the E-TRACK standard do not seem to bring in important added values.

**PART II: E-TRACK: FOCUS ON NEW RESULTS***Explicit tracking*

It is pointed out that the data for describing the attributes will be based on averages per type of plant, the question being how far the break down per type of plant should go.

More information is asked by the stakeholders on how detailed the information will (have to) be to describe the electricity attributes.

#### *Implicit tracking*

It is pointed out that a single Residual Mix for Europe would be more accurate than different Residual Mixes per domain. On the other hand a single Residual Mix would be less meaningful for the consumer.

As for what type of organisation would be best to handle the hub of the tracking system, there is some doubt whether the outsourcing to a private company would be the most appropriate. Market players seem to feel more comfortable with a government or government related body to deal with this matter.

Finally there was concern over the ability of anyone to provide a robust system for the apparently small amount we were talking about.

#### *Cost benefit analysis*

The costs as presented are very low: even in the upper scenario the costs are around 25€ per GWh. These figures are questioned by market players, as it is not believed the costs could be this low.

In particular some concerns were expressed over apparent double counting of costs where the hub was included in the calculation, over emphasis on personnel costs within user organisations - this cost would be incurred anyway to some extent.

Even the costs being low, the mentioned benefits for market players are not acknowledged, as it will continue to be rather the RO scheme (the - high - value of the ROC) than the fuel source (the – much lower – value of the GO) leading the green electricity market.