

GPX Green Power eXchanger

Comment on the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency

Our ID number in the Transparency Register is 27368886682-21

Arnhem, 15 September 2011

Dear reader, dear Commissioner Günther Oettinger, dear Director General Philip Lowe,

Thank you for creating this stage to give our comments.

The focus of GPX, the company I have founded in 1999, is precisely on the transparency for consumers regarding the specific energy used from suppliers, and for suppliers to be able to make an ICT trusted connection from certain production via a trusted user account (e.g. at supplier) to certain consumption (meter at user) in order to book energy along with the energy information to the end user.

Or to be more precise about the process :

- we promote to book and transfer via an array of accounts, starting with the registered production quantity via the account of an issuing body to trading accounts and then to the end-user account and finally ending with the register in the consumption meter to subtract the booked amount in the register according to the flow of energy through the meter - to users that subsequently can claim the use (both legally and economically) of certain sources of electrical energy.

I now would like to give a more accurate comment.

This is on **question nr 1** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question nr 1: Do you have any major problems or policy issues related to transparency which go beyond ERGEG's advice and which you think should be addressed in the Commission's proposal?

Yes, and I will give some explanation to my answer. In the (later on) to be (inter)connected "smart grids", the process of **allocation and reconciliation** from certain production to certain use of electricity is in need of a good system of coding the production in order to facilitate electricity transparency for consumers in making the choice on energy sources. The process is part of the larger process of [nomination-allocation-reconciliation-clearing-settlement]. In the consumers perspective there is a need to involve consumers in implementing the Smart Grids. This is as far as ERGEG concerns not based on the choice for certain sources, but on the choice for certain supplier. For this reason suppliers support the idea of Guarantees of Origin and refer any question from users to this system of GoO's.

Innovation: in the new openings with the two-way communication with the consumer meter, it will be technically possible to book certain energy from certain source all the way to the consumer. Our major problem is that this concept is not supported by ERGEG neither by the

EC (as far as we know).

In order to integrate transparency the European Commission can play a significant role to enable integration of initiatives to identify all production-facilities with a specific number, related to the unique identification of the measurement system for that production facility, in such a way that this may be combined with attached lists (PRO Fact Sheet 5, release 5.3 and PRO Fact Sheet 5, release 6.0) regarding the types of facilities (load or production). It may be noted that release 6.0 is still to be implemented by AIB members following systems change.

Source for this list: http://www.aib-net.org/portal/page/portal/AIB_HOME/AIB_OPE/EECS/PRO_FACTS

From ebIX in ENTSO-E I understand this domain regarding "Guarantees of Origin" is called a "Certificate Area" and is mentioned a "A Market Area" in document: http://www.ebix.org/Documents/eBIX_EFET_and_ENTSO_E_Harmonised_electricity_model.pdf

This is on **question nr 2** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question 2: Do you consider that definitions are complete and clear enough to avoid any potential problems when applied?

No, and I will give some explanation to my answer. For my company - this GPX focussing on the transparent supply of specific energy to consumers who want, or need, to connect to certain production - it is extremely hard to get through the organisations involved concerning message we want to bring. The board of the BEUC is agreeing with our point of view but also they notice a lack of attention for the aspect of "what energy information exactly is supplied to consumers".

Quote of the BEUC reply email to GPX from July 2011

"Nevertheless, as green energy in general is one of our priorities, we have been communicating with European regulators on this issue. As you know, CEER will launch an advice on price comparison tools in the autumn. During the workshop which was organised to gather views of different stakeholders, we have highlighted that more attention should be paid to what kind of information is provided to consumers regarding energy source, what is a real green energy etc. - although we were not talking about consumer information on the origin of supplied electricity via smart meters, I do believe this is a good step forward. "

For the acceptance of any dynamics regarding Smart Grids and Smart Meters, it is most important that the transparency of the process [who is supplying which energy to who] will become increasingly important for the civil society with decentralised energy rapidly growing with the solar and wind initiatives.

This is on **question nr 3** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question 3: Points 4.1.3.7 and 4.1.3.8 of ERGEG's guideline require publishing ex-ante information on planned and ex-post information on the unplanned unavailability of consumption units including the name of the consumption units, location, bidding area, available capacity during the event, installed capacity, etc. Do you consider that publishing this information on a unit-by-unit base would be likely to create any competition concerns

(e.g. because of the commercially sensitive nature of information on energy consumption of individual companies)? If yes, for which industries, in which Member States, etc.? How does this concern relate to the potential benefit this information yields to participants of traded electricity markets? Could this concern be remedied in a way which would nevertheless enable market participants to properly assess such an important change in a demand fundamental (e.g. by publishing data in aggregated form)?

Yes, this would lead to concern, not only about competition but - more important - privacy too.

I think the consumption meter data affairs regarding certain industries and/or any class or certain groups of energy users are well addressed in the newly established ISO 50000 family of standards concerning Energy Efficiency and Energy Management Systems. The Netherlands and many other countries are well prepared for Energy Benchmarking in the benefit of each member of those groups, classes or industries.

We at GPX conclude that it is of paramount importance to focus on the further retailed profiling the supply chain of the Guarantees of Origin, which now have a batch-cycle of once per month. Our idea is to shorten this batch-cycle from once per month to once per 15 minutes or even shorter when (parts of) Smart Grids will really need that fast cycle.

This is on **question nr 4** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question 4: Points 4.3.2.4 and 4.3.2.5 of ERGEG's guideline require publishing ex-ante information on planned and ex-post information on the unplanned unavailability of [generation units including the name of the generation units, location, bidding area, available capacity during the event, installed capacity, etc.](#) Do you consider that publishing this information on a unit-by-unit base would be likely to create any competition concerns? If yes, how does this concern relate to the potential benefit this information yields to market participants? Could this concern be remedied in a way which would nevertheless enable market participants to properly assess such an important change in a supply fundamental (e.g. by publishing data in aggregated form, for instance per production type and balancing zone)?

Here we have all reason to ask the European Commission to accelerate the market developments regarding the effort to reach the goal of 80% Smart Meters in 2020 by taking the energy information to THE USER SERIOUS and to offer TRANSPARANCY to end-users based on the view of the SMART METER as the FINAL ACCOUNT in the supply chain of CERTAIN SPECIFIC ENERGY for which Energy Electricity Transparency is KEY.

One simple question as an example may give the Commission food for thought. Why should a Spanish family in Helsinki, Paris or Berlin really trust their supplier when the supplier just says that the energy supplied to the family is coming from Spanish Concentrated Solar Power, when the family cannot see what is actually happening on their energy account on e.g. a day-to-day basis? In our view, Europe should be an open market, and we foresee an upcoming need for a secure closed circuit system in the supply of energy information to consumers.

This is on **question nr 5** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question 5: Point 4.3.2.8 of ERGEG's guideline requires publishing actual unit-by-unit generation updated every hour. Do you consider that hourly publishing this information on a

unit-by-unit base would be likely to create any competition concerns (e.g. by increased possibilities to monitor the behaviour of competitors, to enter into collusive strategies)? If yes, how does this concern relate to the potential benefit this information yields to market participants? How in your view could the concern be remedied (e.g. by publishing data in aggregated form, for instance per production type and balancing zone and/or by publishing with a longer delay than one hour)?

No, we feel the opposite and see that publishing on an hourly basis would increase competition.

This is on **question nr 6** from the Public Consultation Document Guidelines on Fundamental Electricity Data Transparency.

Question 6: Do you see any other issues arising from ERGEG' proposal which may in your view give rise to competition concerns?

Yes. As said above we feel that the user acceptance is under-estimated regarding the supply of energy-information to the end-user. We also like to point at the consumer rights to know where his electricity is coming from as based on the Aarhus Convention. We would like to ask the European Commission not to forget the market transparency for end-users - and regarding this aspect - not only to focus on the large market players.

Finally we recommend that the European Commission should address all relevant market participants to open up the two way communication function of the Smart Meter to be used also to receive energy information regarding the source of the supplied energy, especially referring to the BEUC's quote in the answer to question nr 2.

Kind regards,

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