

The procedure for issuing the guarantees of origin of electricity obtained from renewable sources



Article 15 of the Law of Georgia “on encouraging production and use of energy from renewable sources”

Determines the basis for issuing guarantees of origin for electricity, heating and cooling from renewable sources.

Resolution N58 of December 23, 2021 of the National Energy and Water Supply Regulatory Commission of Georgia

Determines the procedure for issuing the guarantees of origin of electricity obtained from renewable sources.

GSE submitted to the Commission a draft amendment to Resolution N58, which was approved on December 23, 2022. The change defined the rule of administration of the register of certificates.

- The guarantees of origin is an electronic document that confirms, that the share of electricity supplied to the customer is produced from renewable sources.
- The responsible body for developing the procedure for issuing the guarantees of origin of electricity obtained from renewable sources and monitoring the process is the Georgian National Energy and Water Supply Regulatory Commission.
- The issuing body for the Guarantees of Origin of electricity is transmission system operator.

The structure of the guarantees issuance procedure

general provisions	Registration	Administration of guarantee systems
<ul style="list-style-type: none">• Purpose and scope of application• Definition of Terms	<ul style="list-style-type: none">• Open an account• Registration of means of production• Change of account holder's registered data• Audit of registered means of production• Renewal of means of production registration• Account cancellation request by the account holder• Content of the guarantees of origin	<ul style="list-style-type: none">• Issuance of Guarantees of Origin• Accounting data and data corrections• Transfer of guarantees of origin• Withdrawal of guarantees of origin from the registry• Date of guarantees of origin• Cancellation of the guarantees of origin

Opening of an account in the registry is carried out based on the application, which the applicant sends electronically to the TSO. The application form was submitted by GSE to the commission for approval. The application form includes the following information:

a) Identification data;

a.a) personal number, address, e-mail and telephone number of the applicant;

a.b) type of energy activity;

a.c) additional user.

b) In case of registration of means of production, documents confirming the information listed below:

b.a) technology type and energy source;

b.b) installed capacity;

b.c) settlement accounting point/points;

b.d) identification data;

b.e) start date of operation;

b.f) address of means of production;

b.g) Type of investment support scheme for the plant and/or energy unit, if any.

Applicant - an electricity producer who produces electricity through the means of production of electricity, as well as a trader, supplier or large consumer (who trades electricity on any segment of the wholesale electricity market), who submits an application to open an account in the register

Verification of formal compliance of the application - 3 working days



in case of flaws - At least 3 working days for eliminating the flaw. if the flaw is not eliminated the application remains unconsidered.

Verification of application content compliance (including on-site inspection) - 10 working days



If the application does not meet the requirements, TSO refuses to open an account to the applicant and sends a reasoned refusal to the e-mail address.

If the application meets the requirements, the TSO opens an account in the name of the applicant in the register and sends to the e-mail address:

- a) data required for entering the register and accessing the account;
- b) additional user/users registration and account access data.

Initial registration of means of production/renewal of registration/registration of additional means of production

Location of means of production - Georgia

Electricity production - using renewable energy sources or high efficiency cogeneration

Equipping - with an electricity meter

The means of production should immediately contact the TSO about registration data changes.

The registration of means of production in the register should be renewed every 5 years. The five-year term is counted from the moment of initial/renewed registration of the means of production.



The owner of the account should apply to the TSO with a request to renew the registration at least one month before the expiry of the five-year term.



In case of non-submission of the renewal of registration request, TSO cancels the registration of the means of production registered within the relevant account upon the expiry of the five-year term.




If the owner of the account does not apply to the TSO within one year after the cancellation of the registration with the request to renew the registration, the TSO will also cancel the account.

TSO has the right to inspect the registered means of production at any time to determine if :


- **the electricity produced from renewable energy sources or highly efficient cogeneration from the heating station;**
- **Whether accounting of produced electricity and/or other actions are carried out in accordance with the information specified in the register.**




TSO is obliged to inform the owner of the means of production about planned audit at least 2 working days before, by e-mail.



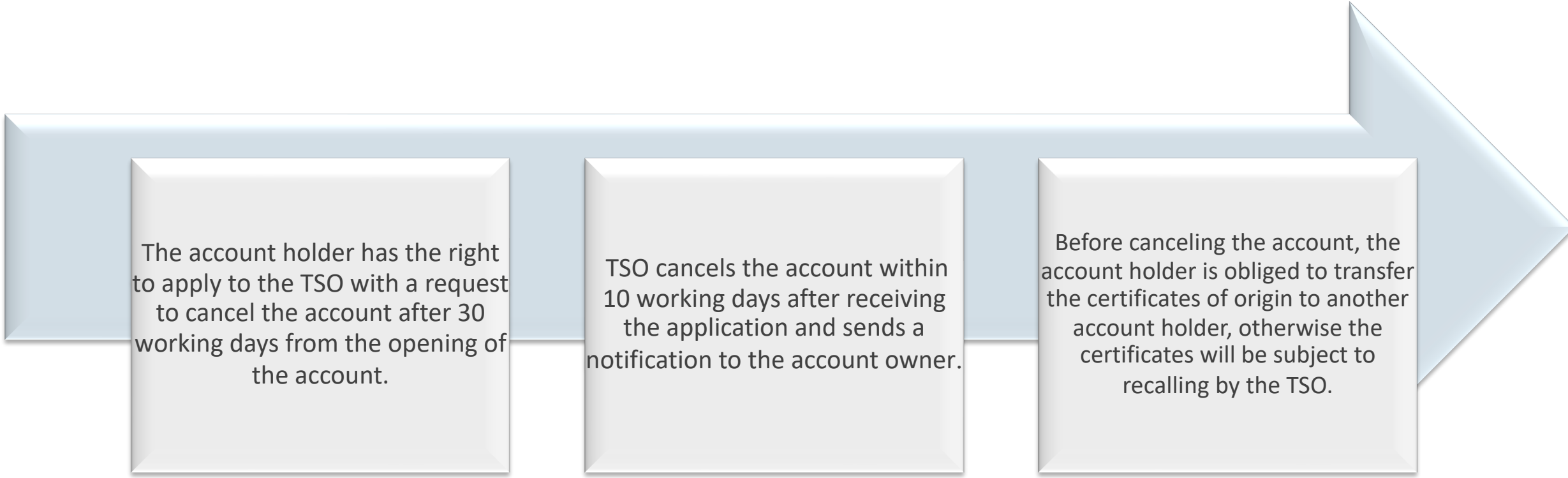
TSO is obliged to draw up a protocol immediately after checking the registered means of production and send it to the owner of the means of production within 2 working days.



If the means of production is no longer in compliance with the requirements, the TSO stops issuing guarantees and restricts the account holder from transferring guarantees issued to the relevant means of production.



In order to restore the right to issue and transfer guarantees, the account holder should apply to the TSO and submit a document confirming the correction of the defect.

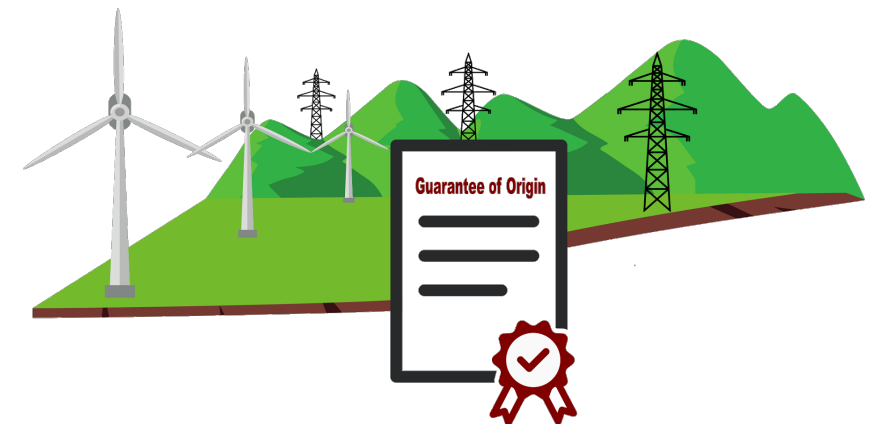


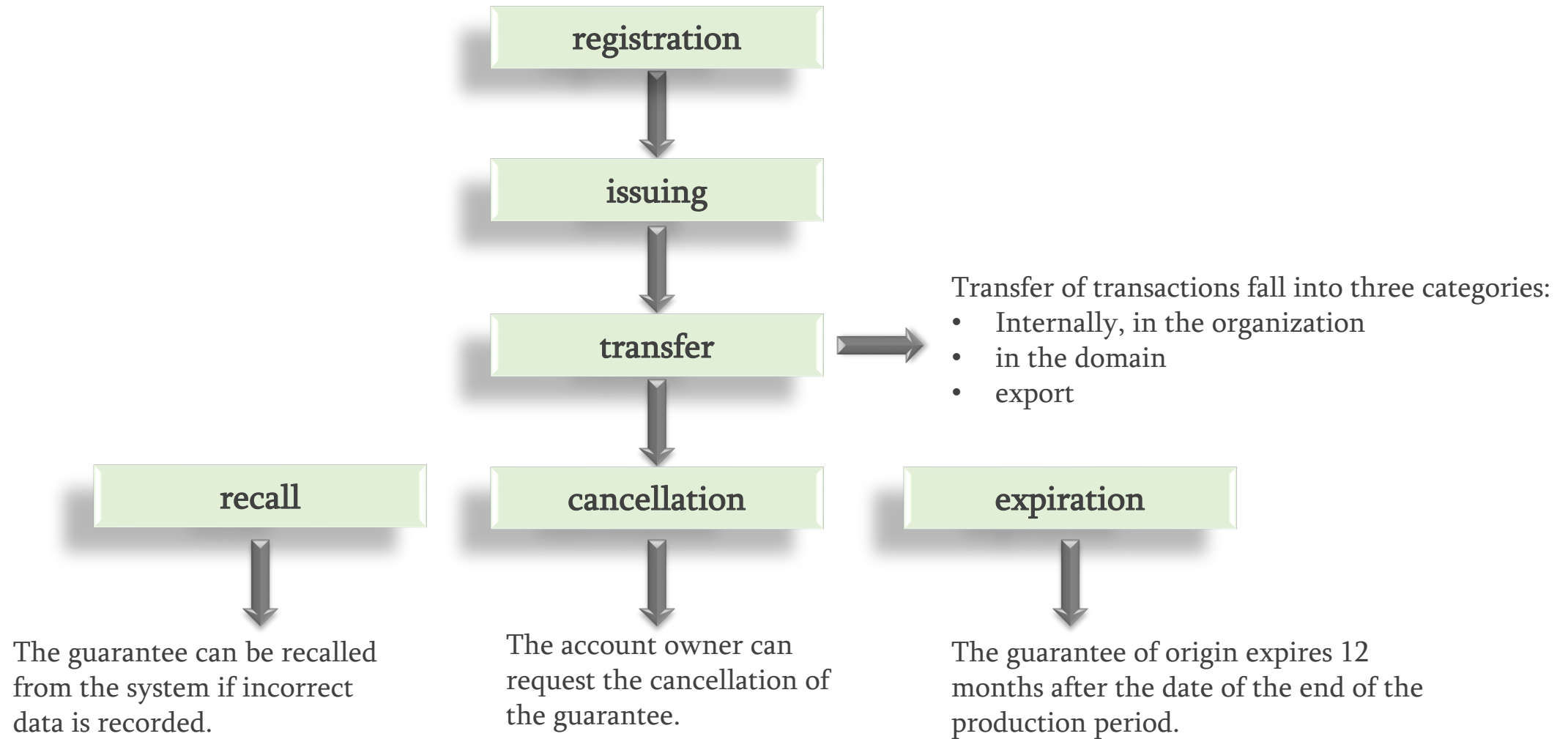
The account holder has the right to apply to the TSO with a request to cancel the account after 30 working days from the opening of the account.

TSO cancels the account within 10 working days after receiving the application and sends a notification to the account owner.

Before canceling the account, the account holder is obliged to transfer the certificates of origin to another account holder, otherwise the certificates will be subject to recalling by the TSO.

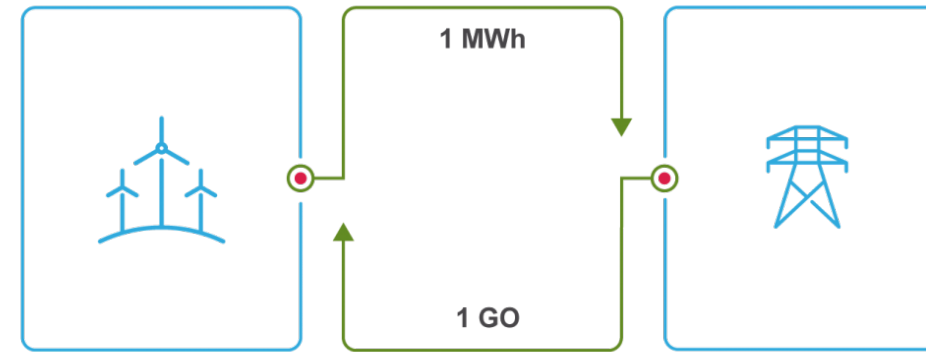
- ✓ the energy source from which the energy is produced, the start and end time of its production;
- ✓ The guarantees of origin applies to electricity
- ✓ Equipment identification data, location, type and capacity;
- ✓ Type of support scheme
- ✓ Start date of operation of the equipment;
- ✓ Date of issuance of the guarantee of origin, issuing country and unique identification number.





Issuance of guarantees of origin

- ✓ The TSO shall issue the guarantees of origin to the producer in the register, electronically, no later than 8 calendar days after the end of the reporting period.



- ✓ A guarantee is issued to the account holder for every 1 MW/h of electricity supplied to the grid by the relevant means of production automatically, taking into account the received accounting data.
- ✓ Only 1 guarantee of origin is issued for each unit of electricity produced (MW/h).

- ✓ it is not allowed to issue a certificate of origin:
 - a) on the produced electricity for which the certificate of origin has already been issued;
 - b) on the electricity required for own consumption by means of production.

According to accounting data

The guarantee is issued by the TSO based on the accounting data recorded in the upper-level Eskaa system, which is entered into the register by the TSO within 8 calendar days after the end of each reporting period.

Data correction

TSO is obliged to:

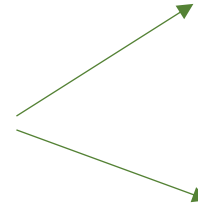
- a) when issuing a larger number of guarantees, subtract the number of excessively issued guarantees from the guarantees to be issued in the next accounting period;
- b) In case of issuing a smaller number of guarantees, add the number of guarantees that were not issued due to incorrect accounting data to the number of guarantees to be issued in the next accounting period.

up to 1 MWh

Any remaining amount of electricity identifiable by metering data will be added to the guarantee issued in the same or each subsequent reporting period until one MW/h is met.

Transfer of guarantees of origin

- ✓ The guarantee is transferred by one account holder to another account holder on the basis of a request electronically submitted to the TSO system by the guarantee holder, indicating:



- Number of guarantees of origin to be transferred
- Name/title of the receiving account holder and his/her account identification data

- ✓ Canceled or expired certificates of origin are not transferable.



- ✓ TSO Confirms the certificate transfer request, immediately, but no later than one working day after its initiation.

TSO is obliged to recall the issued and/or transferred guarantees from the register on his initiative or at the request of the account holder, if:

- a) certificate data is indicated incorrectly;
- b) b) The certificate of origin was issued on the basis of an incorrect settlement accounting point.

In the case of the account owner's mistake - the TSO stops issuing guarantees for the means of production, restricts the account holder from transferring the origin issued to the corresponding means of production, and requests the relevant guarantees of origin from the register. The restriction will be removed when the account holder submits a statement and a document confirming the correction of the flaw

In the case of TSO's mistake - until the error is corrected, the TSO stops issuing guarantees for the means of production, restricts the account holder from transferring guarantees issued to the relevant means of production, and changes the data registered in the system if the error is caused by incorrect data entry in the system. In the next accounting period, it will issue the corresponding number of corrected guarantees

The guarantee should be used within 12 months of the relevant energy production

After 12 months, the guarantee is subject to automatic deletion from the system

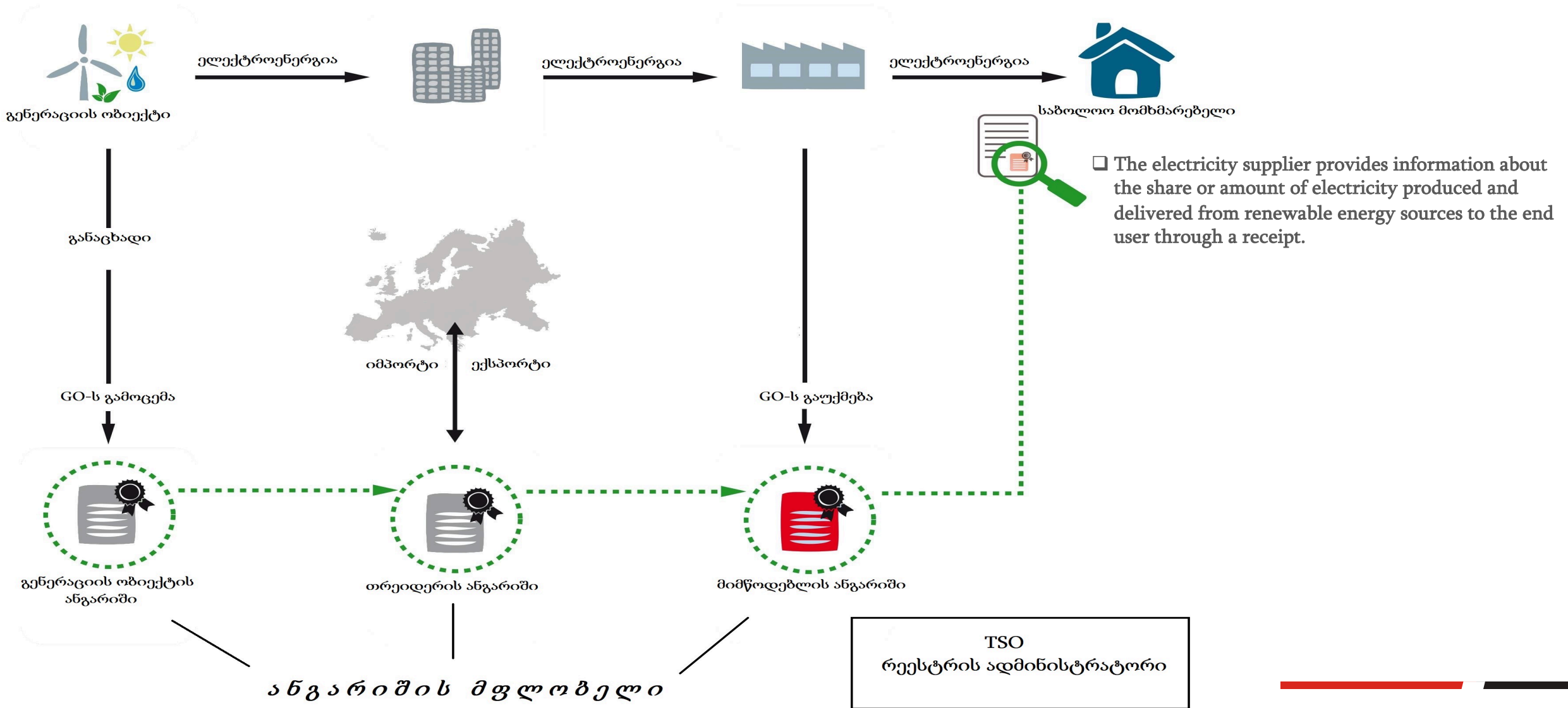
About the expiration of the guarantee, the TSO must notify the account holder at least 30 calendar days before the expiration date.

Guarantee can be cancelled after disclosure

The supplier and/or large consumer is obliged to request the cancellation of the guarantee through the system immediately after the moment of disclosure of the origin of electricity with the guarantee.

The guarantee is automatically cancelled upon initiation of the cancellation request by the supplier/large user in the system.

The future structure of the use of the guarantee of origin (registration - end user)



Thank you for attention!