

French registry and auctions of Guarantees of Origin

Paris, 11 June 2024

Agenda

1. **French registry**
2. **French Auctions characteristics**
3. **Admission process**

Power guarantees of origin

Role of EEX as registry and auction operator

Issuing Body in France since 2013

- Designated by the French Ministry of Energy (DG Energy and Climate) and renewed end of 2018 for 5 years
- Hold the registry for renewable GOs and CHP GOs in France (issuance, transfer, cancellation of GOs)

Member of the Association of Issuing Bodies (AIB) since 2013

- French GOs can be exported to AIB members domain and French account holders could import GO
- EEX takes part actively in the development of the mechanism at an European level
- GOs issued by EEX meet the EECS standard

Improvement of the mechanism thank to a close collaboration with the French Ministry of Energy

- GO: the only instrument to trace electricity from renewable energies
- Implementation of the residual mix to better inform customer and avoid green attributes double counting
- More control on GOs issuance, transfer & cancellation

Mandated by the French State to organize the GO auction

- Auction of GOs issued and selected by the French State (GO from subsidized production devices)
- EEX is organizing auctions since September 2019

2023 : Key numbers on the French registry

Continuous growth on the activity

110^{TWh}

Issued and certified Guarantees of Origin
in France in 2023

+ 16 %

Growth of cancellation in France
between 2022 and 2023 (68 TWh
vs 79TWh)

200^{TWh}

Traded on the EEX French GO
Registry (with 46,7 TWh from
Auctions)

43

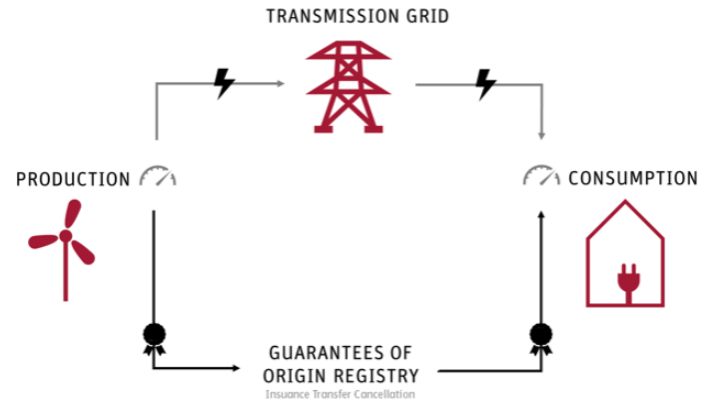
auction participants
From 13 countries

GO mechanism and registry

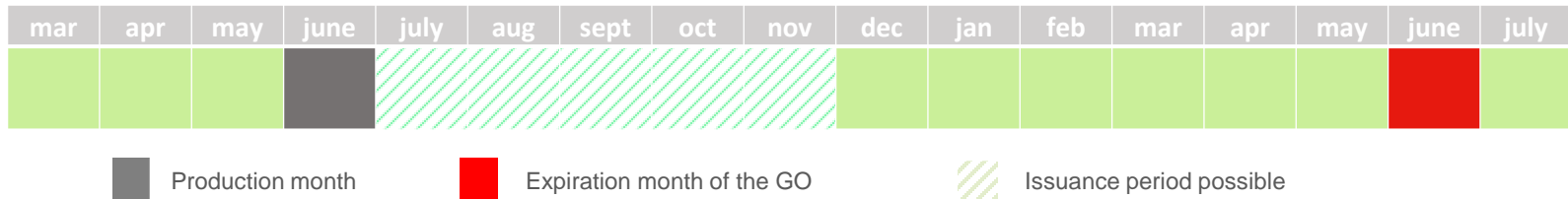
Lifecycle of GO

Membership of the registry is required in order to issue or use Guarantees of Origin

- 1. Production period:** month and year when electricity was produced
- 2. Issuance:** Guarantees of origin creation referring to production period
- 3. Transfer:** delivery process of GO from one party to another
- 4. Import – Export:** GO can originate from another country
- 5. Cancellation:** use of the GO certificate



Guarantees of origin lifecycle



The month of production and the month of consumption must always coincide. A supplier issuing a green offer to its customer for June 2024 must cover its customer's consumption with June 2024 GOs (which it can issue until November 2024 and cancel until June 2025).

The main rules of the registry

Based on domain protocol & the French energy code

1

5-month limit for the issuance of GOs after the month of production (R311-57)

2

The month of production and the month of consumption must always coincide. A supplier issuing a green offer to its customer for June 2022 must cover its customer's consumption with June 2022 GOs (which it can issue until November 2022 and cancel until June 2023). (R311-64)

3

A GO has a lifespan of 12 months and any Cancellation is final (L314-24)

4

Operations such as: Issuance / Transfer (sale) / Export / Cancellation / modification account information
→ Always by a validation of EEX

5

Prevent upstream EEX in the context of a production facility achieving an early exit from the OA/support scheme

6

Foster the cancellation of your GOs of year N before March 31 of year N + 1

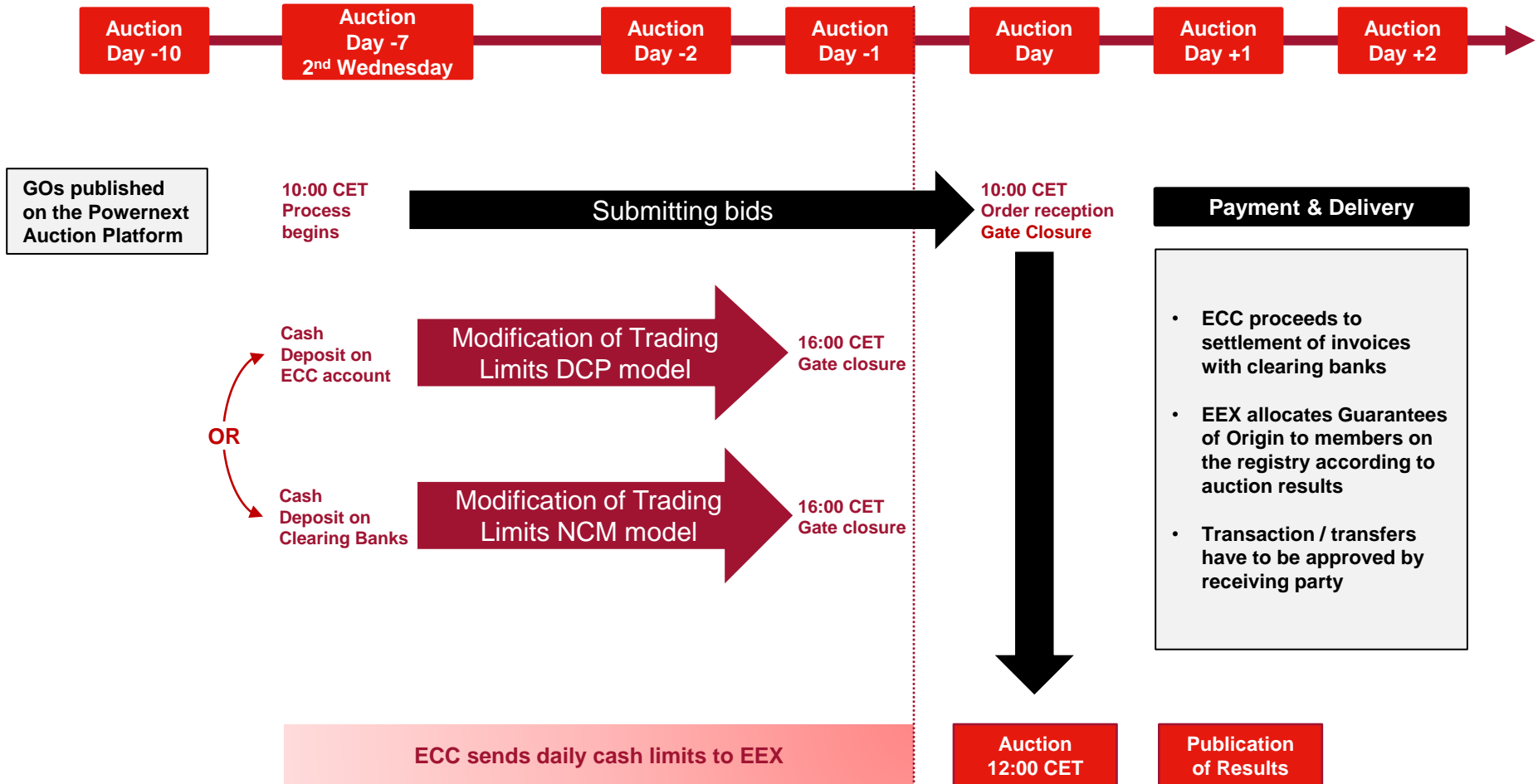
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2023 French Auctions Calendar

		Opening of Order Book	Closure of Order Book	Modification of cash trading limits	Order Matching
Auctioning month	Production month	1 st Wednesday 10:00 AM	2 nd Wednesday 10:00 AM	Tuesday 4:00 PM	2 nd Wednesday 12:00 AM
January 2023	October 2022	11/01/2023	18/01/2023	17/01/2023	18/01/2023
February 2023	November 2022	08/02/2023	15/02/2023	14/02/2023	15/02/2023
March 2023	December 2022	08/03/2023	15/03/2023	14/03/2023	15/03/2023
April 2023	January 2023	12/04/2023	19/04/2023	18/04/2023	19/04/2023
May 2023	February 2023	10/05/2023	17/05/2023	16/05/2023	17/05/2023
June 2023	March 2023	14/06/2023	21/06/2023	20/06/2023	21/06/2023
July 2023	April 2023	12/07/2023	19/07/2023	18/07/2023	19/07/2023
August 2023	May 2023	16/08/2023	23/08/2023	22/08/2023	23/08/2023
September 2023	June 2023	13/09/2023	20/09/2023	19/09/2023	20/09/2023
October 2023	July 2023	11/10/2023	18/10/2023	17/10/2023	18/10/2023
November 2023	August 2023	08/11/2023	15/11/2023	14/11/2023	15/11/2023
December 2023	September 2023	06/12/2023	13/12/2023	12/12/2023	13/12/2023

Overview on Auction Process



French Auctions characteristics

1

GOs from renewable production devices that receive support, classified according to 12 regions and 5 technologies (hydro, solar, wind onshore, thermal, marine energies)

2

Monthly Auction dedicated to one production month (important as mandatory matching between consumption month and production month in France since January 2021)

3

Production of M-3 is auctioned in Month M (GO validity = 12 months)

4

**A single seller, the French State
Multiple buyers**

5

Pay-as-Bid Auction

6

In-house algorithm that enables to bundle liquidity while allowing specificities matching:
- bids on all technologies / all regions, specific regions, specific technologies or a specific couple technology/region
- Possible to indicate preferences for specific production devices

7

Securization of transactions with a clearing house (ECC) with or without clearing member

Auction algorithm overview

In house designed optimization algorithm

1

Maximize the revenues dedicated to the energy transition :

- price is the main criteria

2

Market participants flexibility :

- Possibility to select multiple orders (50 orders per auction)
- Possibility to specify all GOs, only technology or only a region or a couple of both
- Possibility to select production devices (20 preferences per order)

3

Increase competition and ensure equity between participants :

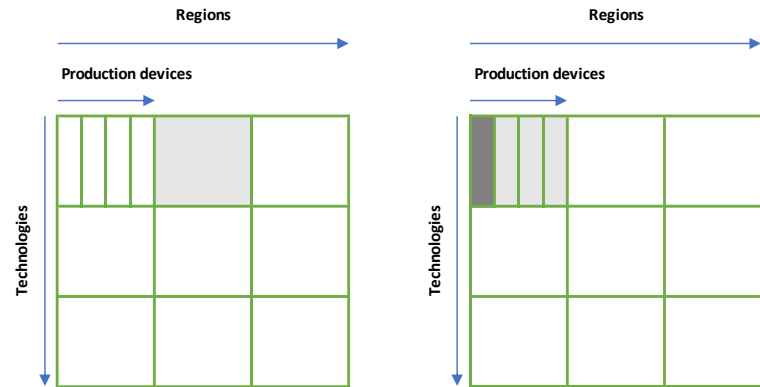
- All orders competing
- In case of equivalent bids : allocation with a pro rata of the initial asked volume

Auction algorithm overview

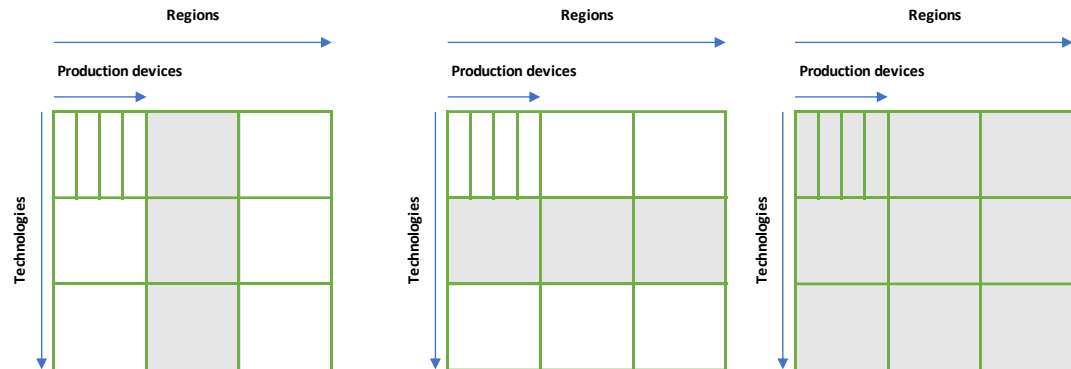
Different type of orders

Simple orders :

- **Specific simple orders:** volume/price concerning a pairing of region/technology + expression of preference for particular devices is possible



- **Generic simple orders:** volume/price concerning a whole region, a whole technology, or all regions and all technologies



Multiple Orders :

Combination of simple orders with **different prices, but all for the same volume.**

Auction algorithm overview

Production device preferences

In order to indicate preferences, the Market participant has to:

1. Make an order specifying a region and a technology
 2. Precise the name of the production device if GOs are available
 3. Choose at most 20 preferences per order
 4. No need to classify the preferences (there is no specific rank)
- First, the algorithm maximizes the revenue thanks to a mathematical optimization
 - Then, allocation of GOs for all orders accepted in descending orders (according to price)
 - The allocation of GOs taking into account of preferences is the last step of the algorithm

GOs available	Device 1	Device 2	Device 3
	10	5	5

Orders	Price	Volume	Region	Techno	Preferences		
Order 1	2€/GO	10 GO	PACA	Solar	Device 1	Device 2	Device 3
Order 2	1.5€/GO	5 GO	PACA	Solar	Device 1	Device 2	Device 3

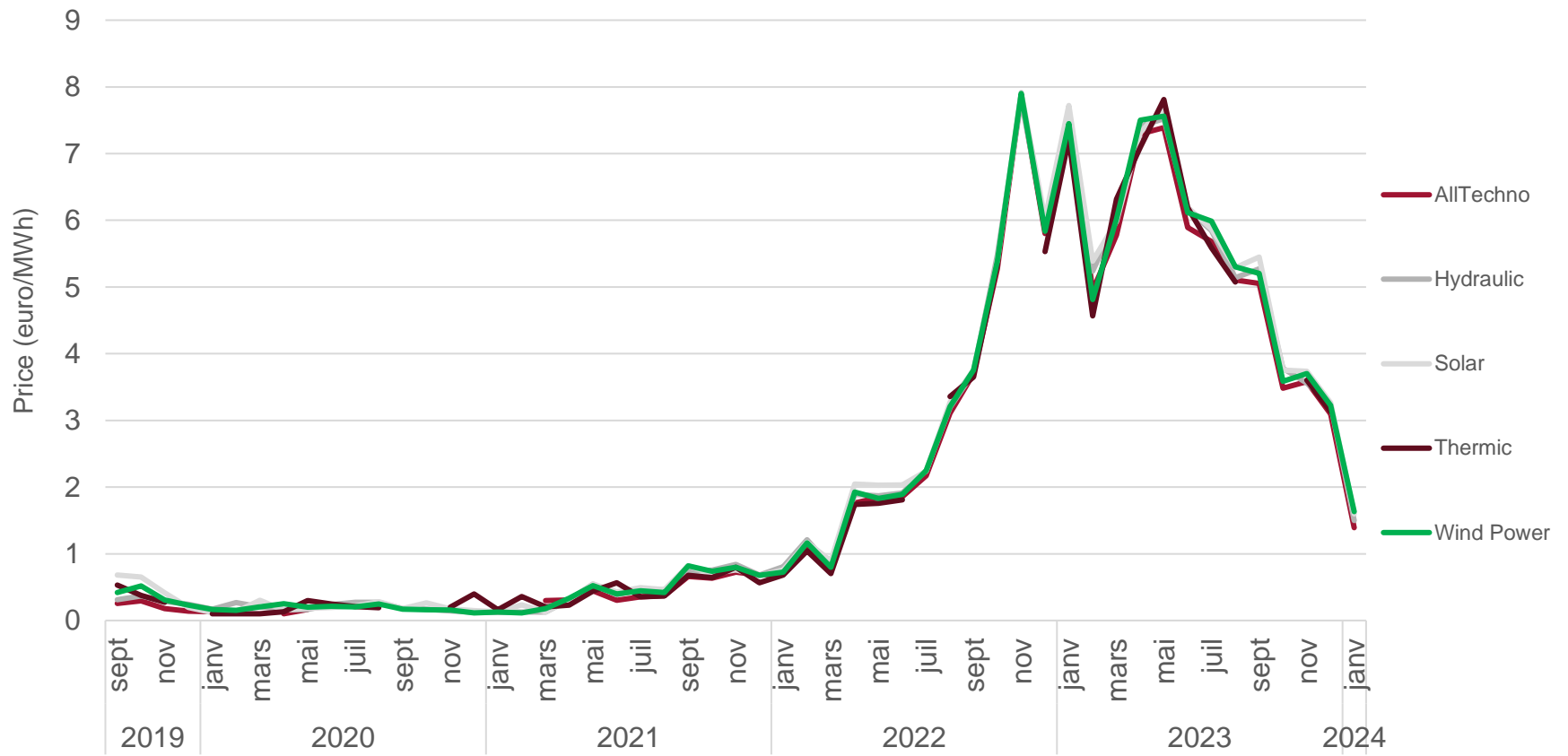
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Allocation of GOs	
Device 1	10 GO
Device 2	5 GO

French Auction results since 2019

Biggest auction in the AIB with rising volatility

French power GO Auction prices (in euro / MWh)



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Admission process

Registry Admission (Approx \approx 1 month at reception of valid documents) :

- Commercial register extract (less than 3 months old) *
- The Articles of Association *
- Powers of Attorney of the signatory (if not already included in the commercial register extract) *
- a notarized copy of the ID card/passport of the signatory
- The last 3 annual reports / Business Plan otherwise
- VAT certificate
- Standard Terms and Conditions: please send one original version per post
- G01 form
- KYC Registry form

** if the original document is not in English, French or German, please also provide a translation in one of those 3 languages*

Admission process

Auction Admission forms (Approx ≈ 3 months) :

- Trading Agreement: please send two originals per post
- KYC Auction form

ECC forms: please choose one of the model below

Non-clearing-members model - NCM	dcp-clearing-members model - DCP
NCM01 (one original version to be sent per post)	DCP01 (one original version to be sent per post)
NCM02 (3 original versions to be sent to your Clearing Member)	CM02 (3 original versions to be sent per post)
TP07 – VAT form	
TP_03 : GO Auction admission request	

Fees for transactions & admissions

Transaction Fee	Amount (€) [without taxes]
Issuance	0,01 € / MWh
Import	0,01 € / MWh
Transfer / Auction fee	0,005 € / MWh
Export	0,005 € / MWh
Cancellation	0,01 € / MWh

Paid by the buyer

Annual Fees*	Amount (€) [without taxes]
Membership Registry	1 000 €
Membership Auction	2 000 €
Registration of Production Device	10 €

* All annual fees are payable once per year and are not prorated

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Thank you for your attention!

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