

*Business Process*

**Cancelling Guarantees of Origin**

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# Document Tracking

|  |  |  |  |
| --- | --- | --- | --- |
| Version | Author | Content | Date |
| 1.0 | SEMO | Post implementation of the GO Online Registry, becoming a member of the Association of Issuing Bodies and connecting to the AIB trading hub | 31/07/2015 |

# Process Context

## Background

Directive 2001/77/EC introduced the concept of Guarantees of Origin (GO) for electricity. The Renewables Directive[[1]](#footnote-1) 2009/28/EC replaces Directive 2001/77/EC and Article 15 of the Renewables Directive further develops GOs. The directive states that the sole purpose of a GO is for Fuel Mix Disclosure and that the GO does not need to follow the physical flow of electricity. This legislation was transposed in Ireland by S.I. 147 of 2011 (replaced by S.I. 483 of 2014); the Statutory Instrument places the obligation for issuing GOs in Ireland on the Single Electricity Market Operator (SEMO) subject to the Supervisory Framework for the Administration of Guarantees of Origin (CER/11/824); developed by the CER in consultation with SEMO and the industry.

Every 1 MWh of renewable energy produced in a year is entitled to a GO certificate, subject to the terms set out in S.I. 147 of 2011. GOs are issued to Account Holders through the GO Online Registry on a monthly basis, in line with the Guarantees of Origin Issuing Process (including Requesting). GO certificates can be transferred from one account to another account in the GO Online Registry. GO transfers are completed by Account Holders in the GO Online Registry as per Business Process Transferring Guarantees of Origin. GO cancellations are completed by Account Holders in the GO Online Registry as per the process outlined in this document.

According to S.I. 147 of 2011, “a guarantee of origin shall be cancelled once it has been used”. GO certificates are cancelled for use in Fuel Mix Disclosure.

*Fuel Mix Disclosure is required by Article 3(6) of Directive 2003/54/EC, replaced by Article 3(9) of Directive 2009/72/EC. The transposing legislation in Ireland requires the Commission for Energy Regulation (CER) to ensure suppliers provide reliable fuel mix information on all bills and promotional materials issued to customers. The enduring Calculation Methodology for Fuel Mix Disclosure is set out in the 2011 SEM/11/095 Decision Paper[[2]](#footnote-2). SEMO performs the annual Fuel Mix Disclosure calculations, on behalf of the Regulatory Authoritiies, according to this methodology.*

GO certificates are issued in monthly bundles. GO certificate(s) will expire 12 months from the end of the production period. For example, GO certificates issued for production period January 2015 will expire end of January 2016. Account Holders must cancel GO Certificates before the GO certificates expire. Expired GO certificates cannot be cancelled in the GO Online Registry.

Expired GO certificates will go into the Residual Mix as per the Fuel Mix Disclosure calculation methodology (SEM/11/095).

Certificate Cancellations are initiated by Account Holders in the GO Online Registry but need to be approved by SEMO.

## Process Scope

This document outlines the process for the submission, validation and approval or rejection of GO Certificate Cancellations.

It does not cover any of the following processes:

* Registration for Guarantees of Origin
* Issuing GO certificates (including Requesting)
* Withdrawal of GO certificates
* Transferring GO certficiates
* Importing GO certificates

# Business Objective

The objective of this business process is to meet the obligations SEMO has under S.I. 147 of 2011, namely:

*Supervision and Issuance of Guarantees of Origin*

*5. (1) Guarantees of origin shall be issued by SEMO in accordance with the supervisory framework established by CER and these Regulations.*

*(2) CER shall, after consultation with SEMO and other relevant persons, design, establish and publish a supervisory framework for the issuance, registration, transfer and cancellation by electronic means, of guarantees of origin to generators of electricity from renewable energy sources.*

*(3) CER and SEMO shall ensure that guarantees of origin are accurate, reliable and fraud-resistant.*

*Functions of the Guarantee of Origin*

*6. (3) A supplier may use a guarantee of origin as proof of the share or quantity of energy from renewable sources in its energy mix for the purposes of compliance with the requirements of Regulation 25 of the Internal Market Regulations.*

*Eligibility and characteristics of a guarantee of origin*

*7. (5) Any use of the guarantee of origin shall take place within 12 months of the generation of the corresponding renewable energy unit.*

*(6) A guarantee of origin shall be cancelled once it has been used.*

SEMO is bound to follow the Supervisory Framework as set out in the decision paper CER/11/824 “Supervisory Framework for Administration of Guarantees of Origin” and all amendments to said framework.

# Process Overview

## Terminology

|  |  |
| --- | --- |
| Previous Terminology | GO Online Registry Terminology |
| Generator | Producer |
| Supplier | Supplier |
| GO Participant | Account Holder |
| Generator Unit | Production Device |
| Authorised User | Account Holder User (see appendix 9.3) |
| Generation Unit | Production Device |
| Revocation | Withdrawal |

## Process Overview

Figure 1 below shows the GO Cancellation Process:

***Fig. 1 GO Cancellation Process Overview***

The process is summarised in the activities described below:

### REQUEST & Validate

GO Certificate Cancellations are submitted in the GO Online Registry by an Account Holder Account Administrator or Account Holder Root User[[3]](#footnote-3) via the online Certificate Cancellation form.

Details of these activities are provided below:

*Commit Cancellation*

The Account Holder Account Administrator or Account Holder Root User logs in to the GO Online Registry, selects the GO certificates for cancellation and completes the Certificate Cancellation form. The Account Holder Account Administrator or Account Holder Root User holds the Commit Transaction role. See appendix 9.3 for further details on roles and permissions.

This can be done on an ad hoc basis. However, it must be done before GO certificate(s) expire.

GO certificate(s) will expire 12 months from end of the production period.GO certificates will automatically expire in the GO Online Registry upon expiration date.

For example, GO certificates issued for production period 2015-01-01 to 2015-01-31 will expire by 2016-01-31.

Account Holders must cancel GO certificates before the GO certificates expire. Expired GO certificates cannot be cancelled in the GO Online Registry.

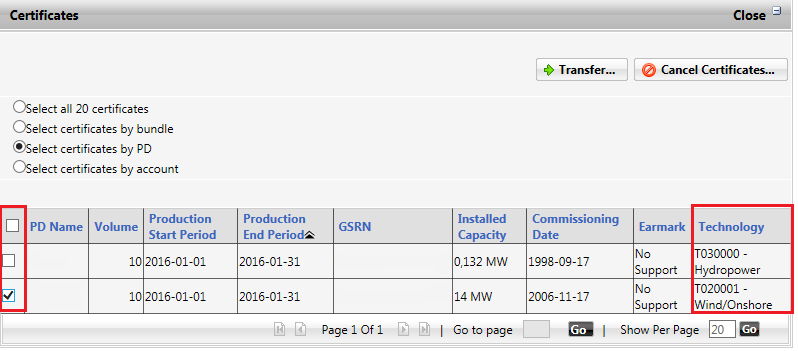
Expired GO certificates will go into the Residual Mix as per the Fuel Mix Disclosure calculation methodology (SEM/11/095).

Account Holders should be aware of the following when completing the GO Online Registry Certificate Cancellation form as these are the basis for cross checks completed by SEMO in the approve/reject cancellation section (4.2.2):

1. **Technology Type**

Certificates can only be cancelled for one Technology Type per transaction. E.G.

All Wind/Onshore production devices must be cancelled separately to all Hydropower certificates. You can select a number of bundles by ticking the tickbox below as long as the Technology Type is the same. Cancellation requests containing more than one technology type will be rejected.



1. ***Name of Beneficiary*** [[4]](#footnote-4)

As per S.I. No. 147 of 2011 (replaced by S.I. No. 483 of 2014), GO certificates can be cancelled for Suppliers only. Name of Beneficiary refers to the Supplier. GO certificates cancelled for any organisation name other than a known Supplier will be rejected.

1. ***Usage Category***

GO certificates can be cancelled for Disclosure only. GO certificates cancelled for Support or Other will be rejected.

1. ***Consumption Period***

Consumption Period refers to Disclosure Period. As per the Supervisory Framework, “*A GO is active for twelve calendar months from the date of production of the associated electricitiy. A GO can be used for disclosure in any disclosure period in which it is active”.*

For example:

GO certificates issued for production period 2015-01-01 to 2015-01-31will be valid until 2016-01-31 and may be used (cancelled) for 2015 or 2016 (2016-01-01 to 2016-12-31) disclosure. The Cancellation Certificate form for January 2015 certificates should be submitted with Consumption Period 2015 (2015-01-01 to 2015-12-31) or 2016 (2016-01-01 to 2016-12-31) only.

1. ***Type of Beneficiary***

GO certificates can be cancelled for Energy Suppliers only. GO certificates cancelled for End-Consumer will be rejected.

1. ***Canellation Purpose***

This is a free text field. Account Holder can enter e.g. To be used for YYYY Fuel Mix Disclosure for Supplier X

*Validation*

Note the above checks do not form part of the automatic validation done on submission of the Certificate Cancellation form in the GO Online Registry

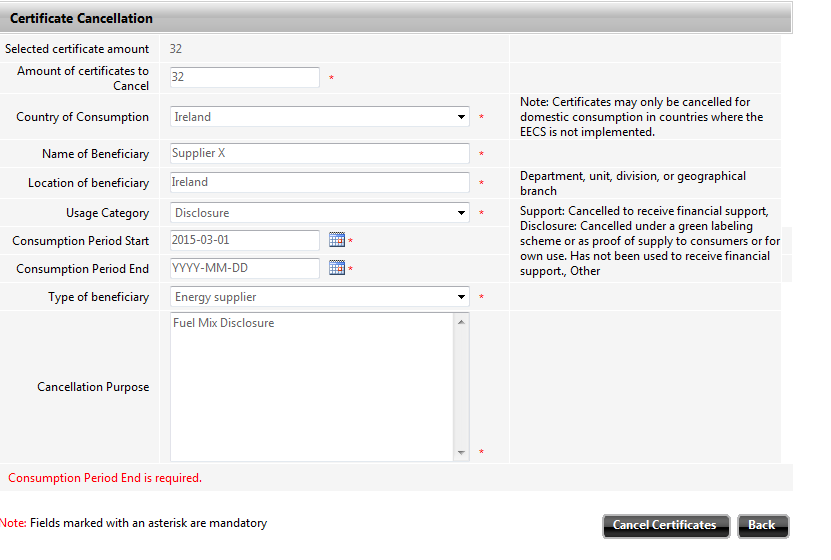
All fields on the cancellation form are mandatory.

On submission, the Certificate Cancellation form is validated.

*Validation Fail*

If any mandatory fields are completed incorrectly or left blank, the form will fail validation and an on-screen message will indicate to the Account Holder Account Administrator or Account Holder Root User the field(s) that failed validation.

Figure 2 displays an example of an error message.

***Fig. 2 Certificate Cancellation Form - Error Message***

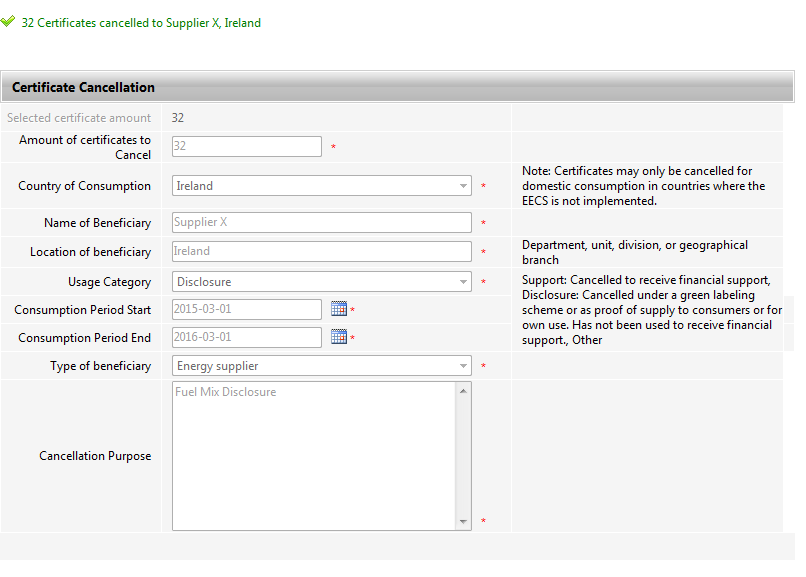
The Account Holder Root User or Account Administrator can update the Certificate Cancellation form as instructed by the error message and resubmit. On submission, the Certificate Cancellation form is validated (restart the steps in section 4.2.1.).

In the event that an Account Holder Root User or Account Administrator has revised the Certificate Cancellation form as instructed by the error message, but the form does not pass validation, the Account Holder should contact SEMO ([guaranteesoforigin@sem-o.com](mailto:guaranteesoforigin@sem-o.com)) with a screenshot of the error message and a screenshot of the revised Certificate Cancellation form before it was submitted.

*Validation Pass*

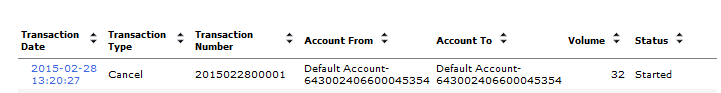
If all mandatory fields are completed correctly, a message on screen will indicate to the Account Holder Root User or Account Administrator that the GO certificate(s) have been cancelled to the Supplier entered (***Name of Beneficiary***).

Figure 3 shows an example of a success message.



***Fig. 3 Certificate Cancellation Form - Success Message***

The Account Holder can use the Reports function in the GO Online Registry to view the Cancellation Statement. Note, the Certificate Cancellation has not yet been approved by SEMO, and will show a status of “Started” (see Figure 4).



***Fig. 4 Cancellation Statement(s) pre approval – Status Started***

Certificate Cancellations are submitted by Account Holders in the GO Online Registry but need to be approved by SEMO. See section 4.2.2 below for details of the checks completed and approval or rejection of the cancellation.

### Check

GO Cancellation Statements are checked by SEMO and approved or rejected accordingly. Details of the checks are provided below:

*Check Beneficiary Name*

SEMO checks the details entered in ***Name of Beneficiary***.

Certificate Cancellation(s) submitted with a valid Supplier’s name in ***Name of Beneficiary*** will be approved.

Certificate Cancellation(s) submitted with a name other than a valid Supplier name in ***Name of Beneficiary*** will be rejected.

*Check Consumption Period*

SEMO cross checks the Consumption Period against the Production Period.

For example:

GO certificates for Production Period January 2015 (2015-01-01 to 2015-01-31) can be cancelled for Consumption Period 2015 (2015-01-01 to 2015-12-31) or 2016 (2016-01-01 to 2016-12-31) only.

Certificate Cancellation(s) submitted with valid Consumption Period will be approved.

Certificate Cancellation(s) submitted with invalid Consumption Period will be rejected.

*Check Usage Cateory*

SEMO checks that ***Usage Category*** reads Disclosure.

Certificate Cancellation(s) submitted with ***Usage Category*** Disclosure will be approved.

Certificate Cancellation(s) submitted with ***Usage Category*** Support or Other will be rejected.

*Check Type of Beneficiary*

SEMO checks that Type of Beneficiary reads Energy Supplier.

Certificate Cancellation(s) submitted with Type of Beneficiary Energy Supplier will be approved.

Certificate Cancellation(s) submitted with Type of Beneficiary End-Consumer will be rejected.

### approve or reject

GO Cancellation Statements are checked by SEMO (as per section 4.2.2) and approved or rejected accordingly.

*Approve*

On passing checks, SEMO will approve the Cancellation Statement in the GO Online Registry.

*Reject*

On failing checks, SEMO will reject the Cancellation Statement in the GO Online Registry.

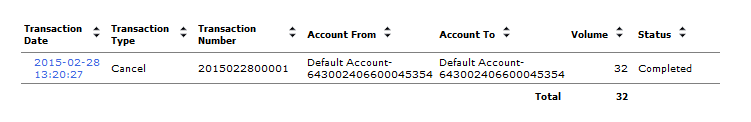
### record

When Cancellation Statements are approved or rejected by SEMO, the GO Online Registry will update as follows:

*Update Online Registry – On Approval*

On approval, the GO certificate(s) will be cancelled in the GO Online Registry.

The Account Holder can use the Reports function in the GO Online Registry to search for the Cancellation transaction, the status will show as Completed (see Figure 9).

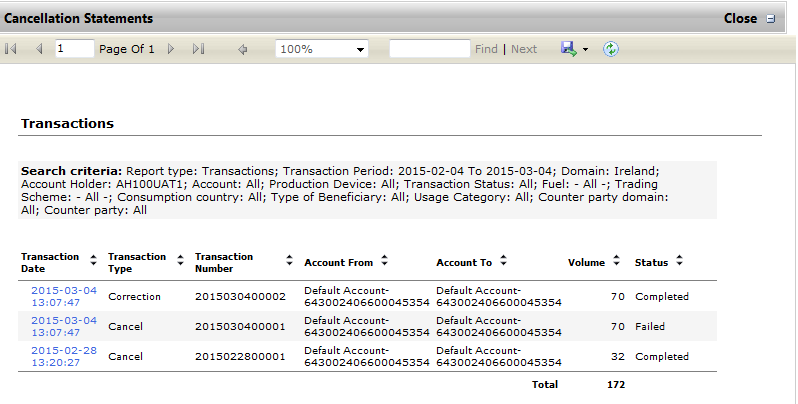


***Fig. 9 Cancellation Statement post approval***

*Update Online Registry – On Rejection*

On rejection, the GO certificate(s) will not be cancelled in the GO Online Registry.

The Account Holder can use the Reports function in the GO Online Registry to search for the Cancellation transaction, the status will show as ‘Failed’ (see Figure 10).



***Fig. 10 Cancellation Statement post rejection***

# Roles and Responsibilities

## SEMO Market Operations

As the GO issuing body SEMO has the following responsibilities:

*Supervision and Issuance of Guarantees of Origin*

*5. (1) Guarantees of origin shall be issued by SEMO in accordance with the supervisory framework established by CER and these Regulations.*

*(2) CER shall, after consultation with SEMO and other relevant persons, design, establish and publish a supervisory framework for the issuance, registration, transfer and cancellation by electronic means, of guarantees of origin to generators of electricity from renewable energy sources.*

*(3) CER and SEMO shall ensure that guarantees of origin are accurate, reliable and fraud-resistant.*

*Functions of the Guarantee of Origin*

*6. (3) A supplier may use a guarantee of origin as proof of the share or quantity of energy from renewable sources in its energy mix for the purposes of compliance with the requirements of Regulation 25 of the Internal Market Regulations.*

*Eligibility and characteristics of a guarantee of origin*

*7. (5) Any use of the guarantee of origin shall take place within 12 months of the generation of the corresponding renewable energy unit.*

*(6) A guarantee of origin shall be cancelled once it has been used.*

*SEMO is responsible for checking Cancellation Statements in the GO Online Registry and approving or rejecting accordingly.*

## Account Holders

Account Holders can initiate Cancellations by completing a GO Certificate Cancellation form within the GO Online Registry.

# 

# Process Description

## Process Swimlane



***Fig 11 GO Certificate Cancellation Process***

## Process Steps

| **Step** | **Step Name** | **Step Description** | **Timing** |
| --- | --- | --- | --- |
| **Request** | | | |
| 1 | Commit Certificate Cancellation form | The Account Holder (Account Administrator User or Root User) submits a Certificate Cancellation form in the GO Online Registry. | Ad Hoc |
| 2 | Validate form | The GO Account Holder User committing the Certificate Cancellation receives a message on screen to indicate that the cancellation has been submitted successfully. If the form fails validation, the Account Holder User will receive an error message on screen indicating the field(s) that has failed validation. | Immediately after step 1 |
| (Optional) | Contact SEMO | In the event that an Account Holder Account Administrator or Root User cannot successfully submit the Certificate Cancellation form, they should contact SEMO | Immediately after step 2 |
| **Approve and Record** | | | |
| 3 | Check | SEMO will check the following details on the Cancellation Statement; Name of Beneficiary (valid Supplier Name?), Type of Beneficiary (Energy Supplier?), Usage Category (Disclosure ?) and Consumption Period | Within 1 working day of step 2 |
| 4 | Approve/ Reject Cancellation Statement | If the Cancellation Statement passes all checks as outlined in section 4.2.2 of this document SEMO will approve the Cancellation Statement. Cancellation Statements that do not pass the checks, will be rejected by SEMO. | Within 1 working day of step 3 |
| 5 | GO Online Registry update | If the Certificate Cancellation has been approved by SEMO, the GO certificate(s) are automatically cancelled in the GO Online Registry. Account Holder can view the Cancellation Statement with the status of Completed using the Reports function in the GO Online Registry.  If the Certificate Cancellation has been rejected by SEMO, the GO certificate(s) are not cancelled in the GO Online Registry. Account Holder can view the Cancellation Statement with the status Failed using the Reports function in the GO Online Registry. | Within 1 hour of step 4 |
| (Optional) | Submit Corrected GO Cancellation Statement | The Account Holder (Account Administrator User or Root User) submits a corrected GO Certificate Cancellation form in the GO Online Registry. | Post step 4 |

# Process References

## Process Rule Documents

The following table provides references to the documents that govern the design of this business process.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Document** | **Title** | **Version** | **Section** | **Description** |
| S.I. 147 of 2011 | European Communities (Renewable Energy) Regulations 2011 | N/A |  | Transposes EU directive to Irish law and names SEMO as the issuing body for GOs |
| Decision Paper  CER/11/824 | Supervisory Framework for Administration of Guarantees of Origin | N/A |  | Establishes the Supervisory Framework for the administration of Guarantees of Origin. Sets out specific detail of the GO scheme. |
| Directive 2009/28/EC | DIRECTIVE 2009/28/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL  of 23 April 2009  on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC | N/A | Regulation 15 | EU directive which sets out rules for GOs. Has been transposed by S.I. 147 of 2011 and is common source of law between Ireland and other Member States |

## Related Documents

The following table provides a list of documents that are related to this business process.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Document** | **Title** | **Version** | **Relationship** | **Description** |
| SEMO Business Process Model | SEMO Business Process Overview | 1.0 | Parent Document | Overview of the model used for the SEMO Business Processes. Provides the context for where each business processes fits into SEMO. |
| Decision Paper  CER/11/095 | Fuel-Mix Disclosure in the Single Electricity Market: Calculation Methodology Decision Paper | N/A | Related Process | Decision paper outlining the process for Fuel Mix Disclosure which is the sole purpose of GOs. |

# Assumptions

* GO Certificate Cancellations can be initated on an ad hoc basis by an Account Holder Account Administrator User or Root User.
* GO Certificate Cancellations are checked and approved or rejected by SEMO.
* GO Certificate(s) must be cancelled before GO Certificates expire.
* GO Certificate(s) that have expired cannot be cancelled in the Online Registry.

# Appendices

## Glossary

|  |  |
| --- | --- |
| **Abbreviation** | **Definition** |
| DSO | Distribution System Operator |
| RA | Regulatory Authority |
| SEM | Single Electricity Market |
| T&SC | Trading and Settlement Code |
| TSO | Transmission System Operator |
| WD | Working Day (Working Day ends at 5 pm) |
| CER | Commission for Energy Regulation |
| S.I. | Statutory Instrument |
| GO | Guarantee of Origin |

## Process Flowchart Key

|  |  |
| --- | --- |
| flowchart Key | |
|  | Process Trigger |
|  | Process step |
|  | Process decision / question |
|  | Document |
|  | Manual Input / Update |
|  | Reference to another process |
|  | Another business process to be implemented following current step (current step is a trigger for another process) |
|  | Process end |
|  | System |
|  | Data |
|  | System File |
|  | Preparation |

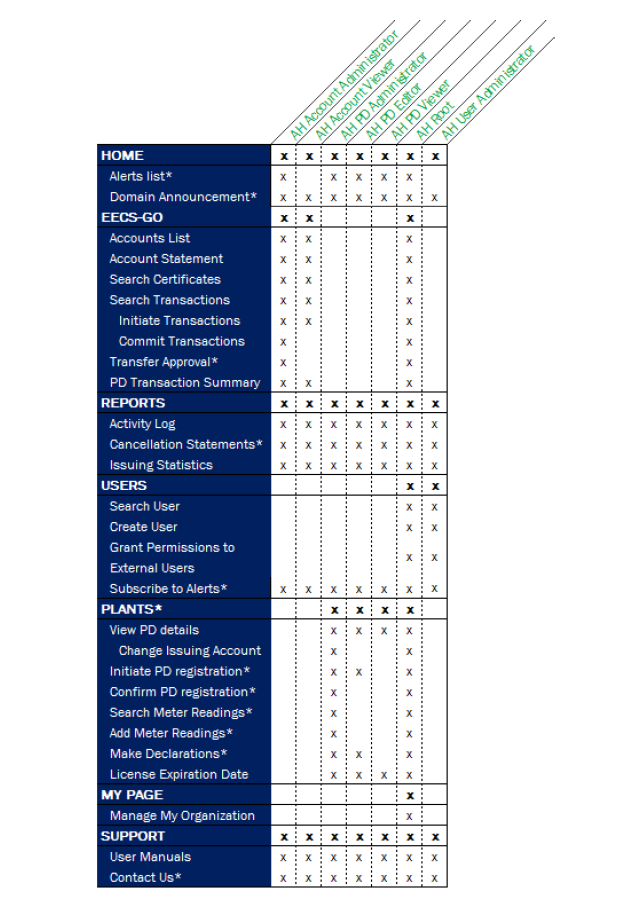
## USER ROLES AND PERMISSIONS

CMO.grexel has various authorisation levels for Account Holder Users shown in Figure 11 below.

Specific responsibilities related to the use of CMO.grexel are identified and assigned to the predefined role(s) and the appropriate roles are assigned to the users so that a user can have one or several roles.

GO Certificate Cancellations can be submitted by Account Holders Users with the Commit Transactions role.

Further information on Users and Roles can be found in the Account Holder User Manual which can be downloaded from the Support section of the Online Registry.



***Fig. 12 User Roles and Permissions (taken from the Grexel Account Holder User Manual)***

## list of known suppliers

|  |
| --- |
| List of Known Suppliers |
| Bord Gáis (Ireland) |
| Bord Gáis (Northern Ireland) |
| Vayu (Ireland) |
| Vayu (Northern Ireland) |
| ESB Customer Supply (Ireland) |
| ESB Independent Energy (Ireland) |
| ESB Independent Energy Supply (Northern Ireland) |
| LCC Power Limited ROI (Ireland) |
| LCC Power Limited (Northern Ireland) |
| Airtricity Limited (Ireland) |
| Airtricity Energy Supply Limited (Northern Ireland) |
| Viridian Energy Limited (Ireland) |
| Viridian Energy Supply Limited (Northern Ireland) |
| Power NI (Northern Ireland) |
| Panda Power Limited |

1. Transposed by the [Renewables Obligation (Amendment) Order (Northern Ireland) 2010](http://www.detini.gov.uk/renewables_obligation__amendment__order__northern_ireland__2010) in Northern Ireland and by S.I. 147 of 2011 in Ireland (replaced by S.I. 483 of 2014). [↑](#footnote-ref-1)
2. SEM/09/033 - The interim arrangements applied to the disclosure years of 2008 to 2010. SEM/11/095 - the enduring methodology applies to 2011 onwards. [↑](#footnote-ref-2)
3. Roles and Responsibilities for each user in the GO Online Registry set out in Appendix 9.3 [↑](#footnote-ref-3)
4. Name of Beneficiary must match the name of supplier used upon registering for Guarantees of Origin [↑](#footnote-ref-4)