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# New provisions set basis for trading of guarantees of origin

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On 4 July 2022, a newly passed law<sup>(1)</sup> was enacted that amends the legal framework on guarantees of origin (GOs) that was previously envisaged in Law 3468/2006. Pursuant to the new law, GOs will certify to consumers that part of the energy they are supplied with is sourced from renewable energy plants or heat and power cogeneration (or even other types of energy sources, such as energy storage plants, following the subsequent issuance of the executing ministerial decision).<sup>(2)</sup>

## GO holders

According to the ministerial decision, the following persons or entities may hold a GO through an account held with the GOs register:

- power suppliers;
- auto producers;
- producers as regards exclusively their facilities;
- the Greek Operator of Renewable Energy Sources and Guarantees of Origin (DAPEEP); and
- respective holders from other EU member states or third countries under certain conditions.

According to the new law, each GO corresponds to one megawatt of standardised power (one GO per megawatt). No more than one GO shall be issued for each megawatt produced. Therefore, even if power is sourced from cogeneration with the use of renewables, a single GO will be issued.

## Issuance and recognition of GOs

Pursuant to the provisions of the ministerial decision, the issuing authority for GOs will be DAPEEP. The European Committee for Standardization (CEN) standard CEN-EN 16325, as well as the ministerial decision, are to be observed for the issuance, transfer and revocation of GOs.

For renewable energy or cogeneration plants that commenced operation earlier than 1 January 2021, GOs are issued in the name of DAPEEP.

An exception to this, however, is that GOs are issued in the name of the producer for:

- large hydroelectric plants;
- plants that have solely received or are receiving investment aid;
- plants that have not received or are not receiving operational aid; or
- plants for which the operational aid agreement has expired.

Further, GOs are issued in the name of the producer for renewable energy or cogeneration plants that commenced operation from 1 January 2021 that:

- have received or are receiving operational aid, for the period following the expiration of the operational aid agreement; or
- have not received or are not receiving operational aid or have received solely investment aid.

Separate provisions have been stipulated as regards the auto producers of electricity from renewables or cogeneration, according to which the GOs for electricity injected in the grid can be issued under certain conditions either in the name of DAPEEP or the auto producer (whereas for the remainder of the electricity, the GOs are issued in the name of the auto producer).

In case of reasonable doubt regarding the validity and accuracy of the data underpinning the issuance of GOs, DAPEEP may refuse to proceed with their issuance (with a substantiated decision).

The Regulatory Authority for Energy (RAE), on the other hand, when acting as the supervisory authority, is authorised to handle issues of mutual recognition of GOs issued in other EU member states or third countries. In this capacity, RAE may refuse (through a substantiated decision communicated to the European Commission) to recognise GOs issued in other EU member states due to reasonable doubt regarding their accuracy and reliability. RAE will recognise GOs issued in third countries only in cases of direct import and export of power and under the condition of agreements signed by the European Union and said third countries on the mutual recognition of GOs.

## Transfer and trading of GOs

In general, GOs may be transferred either through bidding auctions or through market platforms or bilateral agreements.

However, GOs that have been issued in the name of DAPEEP regarding plants in operation after 1 January 2021 are to be transferred only through bidding auctions. Additionally, under the conditions (anticipated) to be set forth in the regulation on the details of the auction

processes, the transfer of GOs that have been issued in the name of the energy producers or auto producers may also take place through the bidding auctions. RAE has been authorised to issue the relevant regulation on the specifics of the auction processes following a proposal from DAPEEP, which should be submitted to RAE, until beginning of October 2023. Six months after the issuance of the regulation by RAE, the first auction is to take place.

In certain cases (eg, in case of auto producers), if the holder of the plant changes, the GOs that are still in force are to be transferred by DAPEEP to the new holder of the plant.

#### **Comment**

The trading of GOs is expected to financially support the new Special RES Account from which payments are to be made to RES and cogeneration plants set in operation starting from 1 January 2021, in line with the National Energy and Climate Plan.

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#### **Endnotes**

(1) Law 4951/2022 (OJ A' 129).

(2) No. ΥΠΕΝ/Δ ΑΠΕΕΚ/81331/3661 (OJ B' 4246/10.08.2022).