

Auctioning Guarantees of Origin: bringing transparency and liquidity together

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Meet the panel



**Marko
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CEO
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**Mathieu
Morvan**
Head of Registries
EEX



**Mohammed
Mohammadi**
Registry Business
Developer
EEX



**Delphine
Strunski**
Senior Business
Developer
EPEX SPOT

Grexel Part of EEX Group



 **Energy certification** One-stop-shop

 **17 registries** in **14** countries

 Over **10,000** active account holders

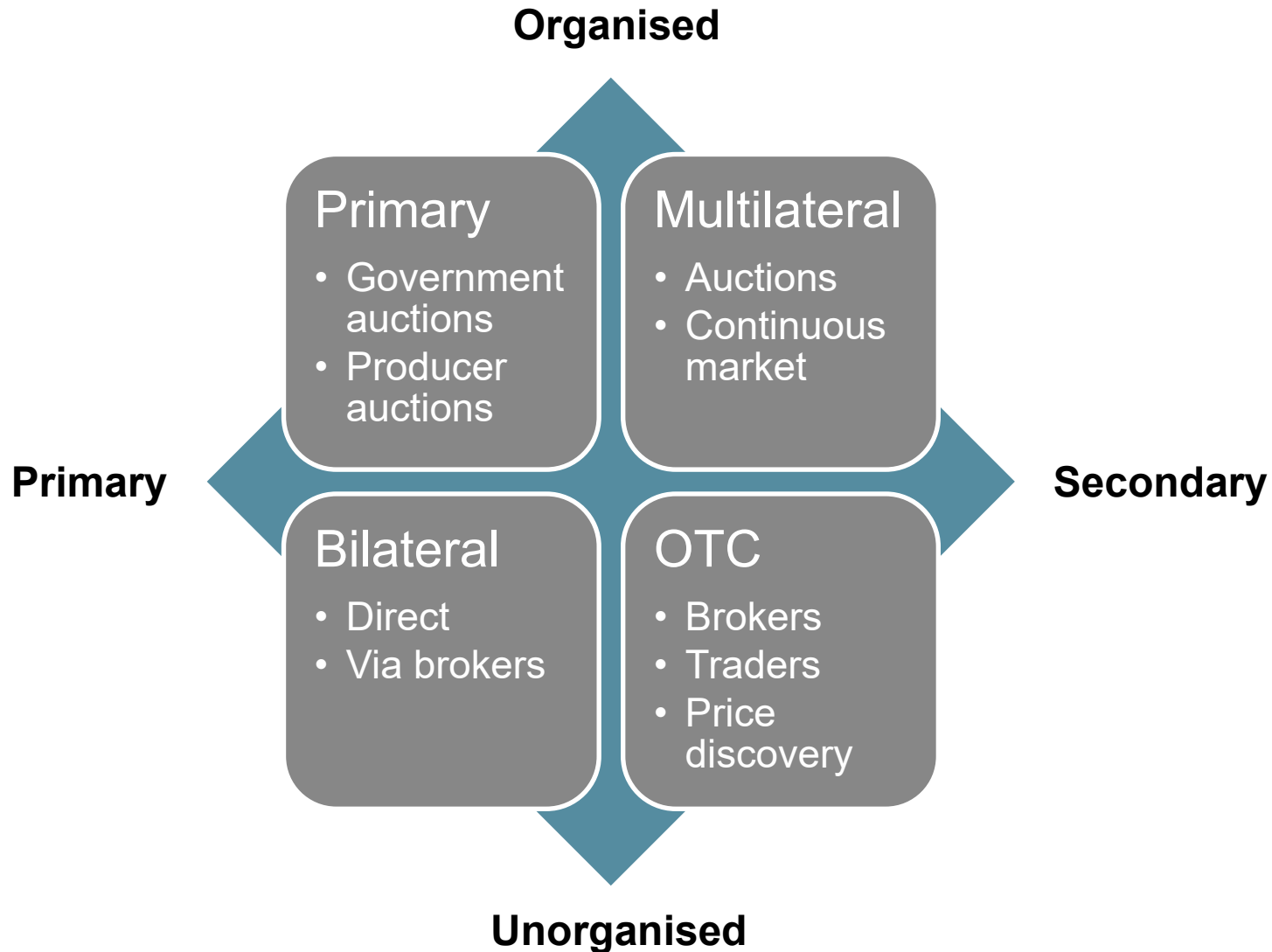
 Annual transaction volume over **one billion MWhs.**





How much is the fish?

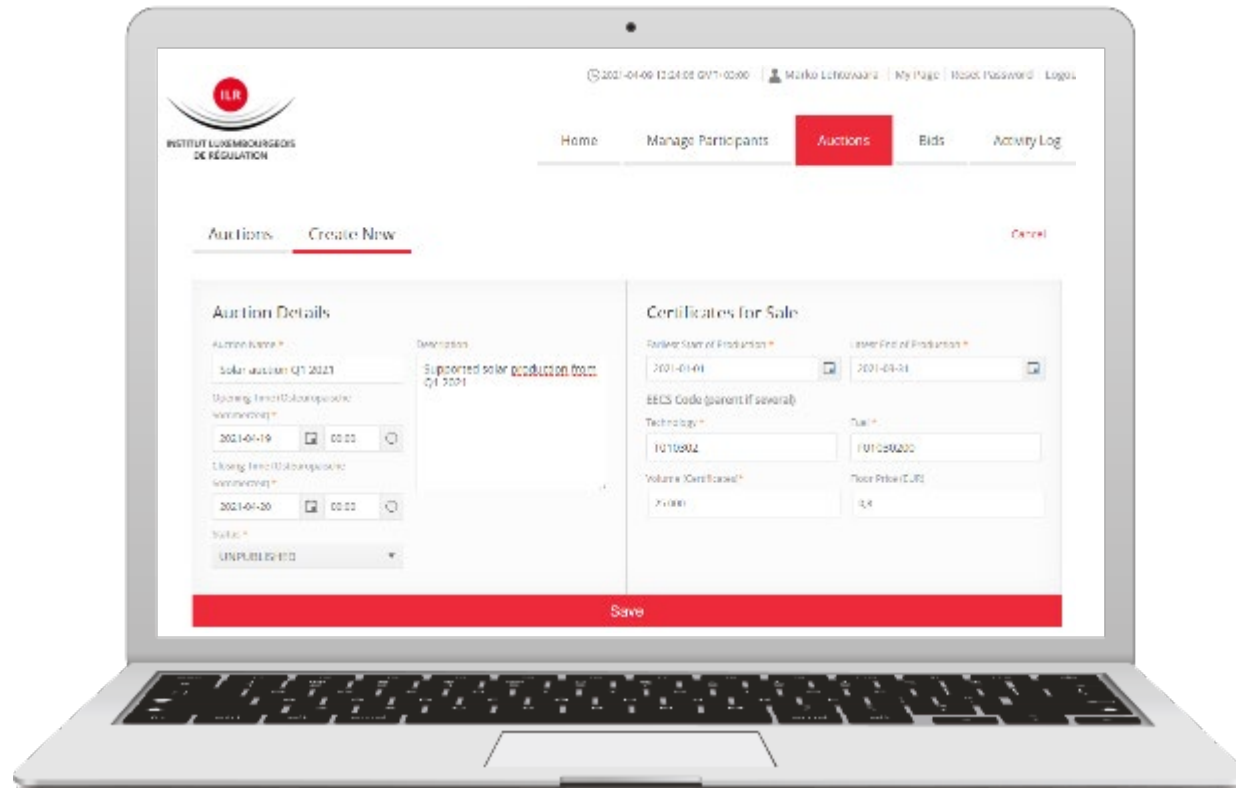
Different Markets



Case: Luxembourg Government Auction



- **Issuing Body** ILR had a mandate to sell GOs from supported production
- **Solution:** issue as EECS-GO and sell via primary auction
- **Auction type**
 - Blind
 - Pay-as-bid
 - Reserve price
 - No clearing
- **Single product per auction**
 - Technology / Energy Source
 - Production period
 - Description



Case Luxembourg: Grexel Auction Service (GAS)

24/ANAUCTIONTEST

Total Allocation: 33

Total Bid Volume: 110%

Total Bid Volume: 75

Weighted Average Price (EUR): 1.64

Price Range: 1.00 - 2.00

Status: Published

Bids

| Price (EUR) | Time (Order Summary...) | Volume | Bidder | Allocation | Action |
|-------------------|-------------------------|--------|--------|------------|----------|
| 2.00 | 2021-01-24 11:00:00 | 21 | G4 | | DECLINED |
| 1.70 | 2021-01-24 12:50:15 | 4 | G4 | -4 | OKAYED |
| 1.70 | 2021-01-24 12:50:15 | 5 | G4 | | OKAYED |
| 1.50 | 2021-01-24 12:56:15 | 12 | G4 | -5 | OKAYED |
| 1.30 | 2021-01-24 12:56:19 | 17 | G4 | | OKAYED |
| ... | 2021-01-24 | ... | ... | | |
| Total Allocation: | | | | 33 | |

1 - 10 of 11 items

- Management of auctions and bidders
- Management of bids
- Manual allocation
- Public Reporting
- Multi-factor authentication
- Modern cloud-native infrastructure
- Co-branding



Create Bid

Auction: Fish

Volume: 3 000

Price (EUR): 0,95

I have the authority to submit the bid

Cancel Submit

What is behind French GO auctions

1

All renewable production devices benefiting from public subsidies for production and with an installed capacity above 100 kW should be registered on the french GO registry (on the account of the French State)

2

The concerned producers are allowed to issue GOs on their own account during the 2 months following a specific production period of 1 month. If so, the feed in tariff or market premium contract is cancelled.

3

If the producer doesn't issue the GOs, the French State may issue them, and sell them through auctions

4

The revenues from the auctions will be affected to a special fund for the energy transition in France

-

Access to GOs issued by more recent production devices
Diversification of accessible sources: especially wind and solar
Up to 45 TWh of additional GOs each year on the european market

AUCTIONS

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

3

Production of M-3 & M-4 could be auctioned in two different auctions on M
A list of GOs available will be published at least 10 days before the auction.

4

A single seller, the French State
Multiple buyers

5

Pay-as-Bid Auction
A reserve price below which the French State will not sell the GOs

6

In house designed optimization algorithm (with our partner Artelys), taking into account

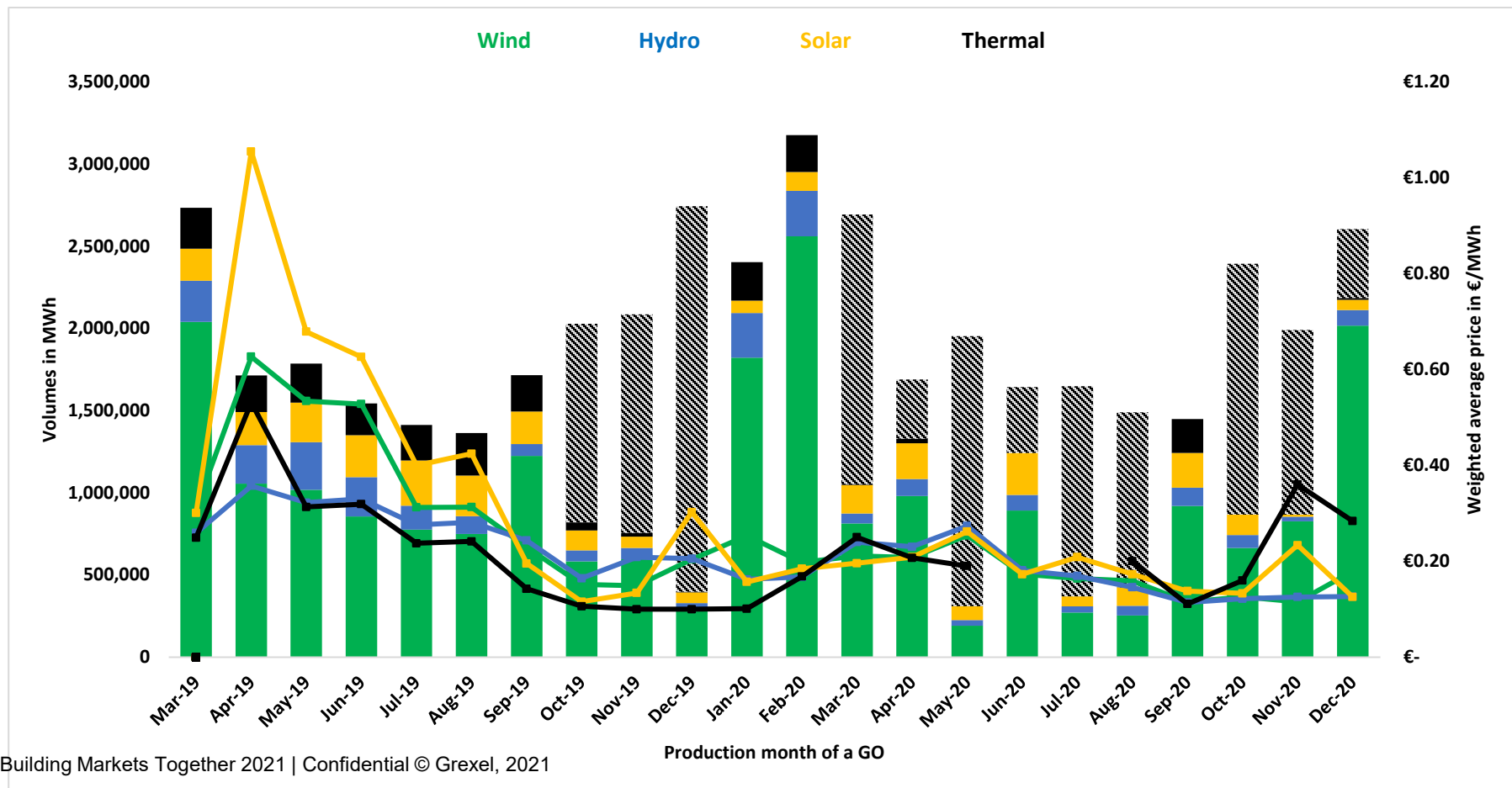
- simple or multiple orders
- preferences for a specific production device

7

Two models of payments securization with a clearing house (ECC)
Direct Clearing Participant or Non Clearing Member through a Clearing Member

Where we are

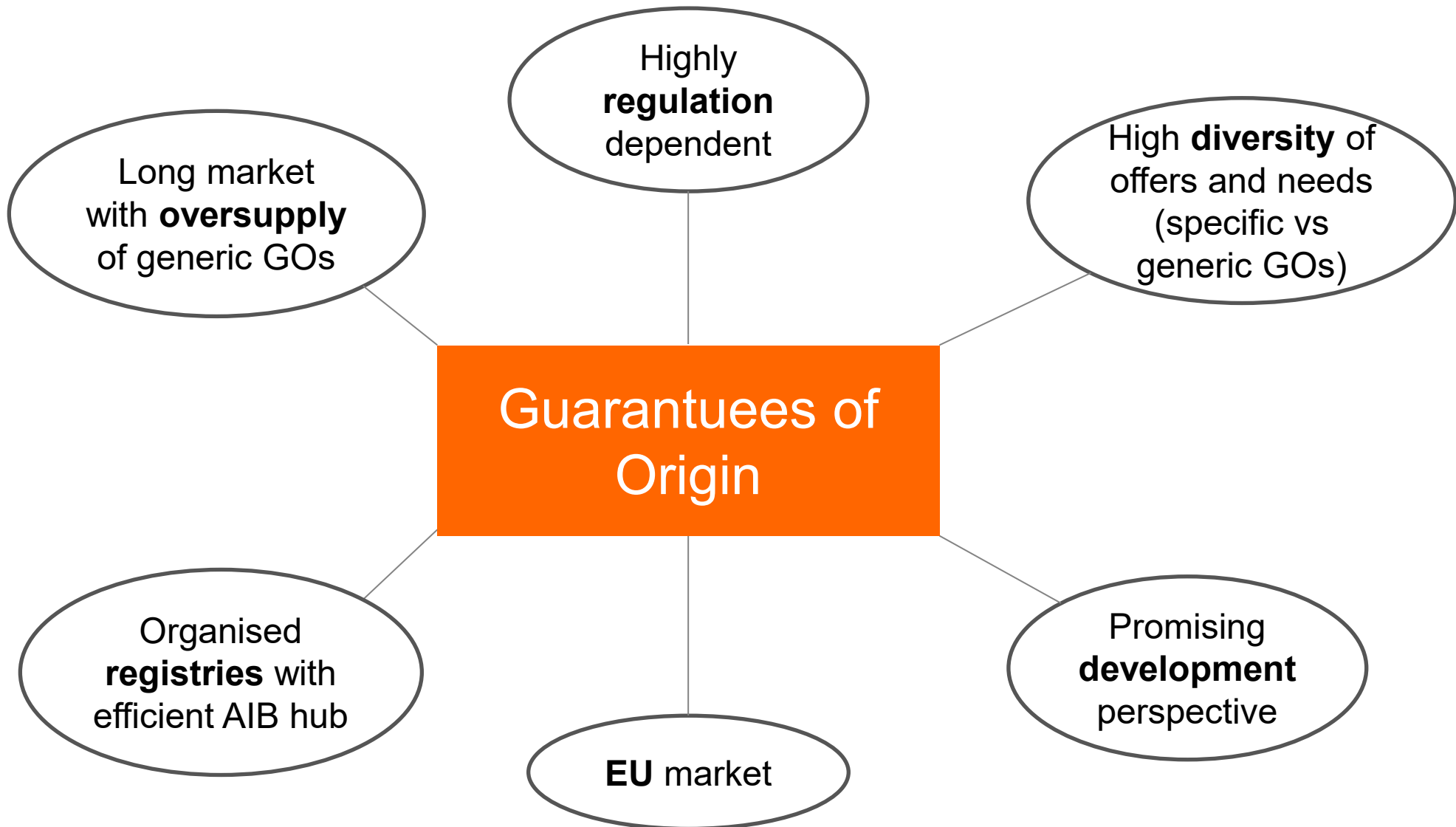
- **22 auctions** organized and ~30 millions GOs sold since September 2019
- More than **11,000 production devices** and 40 companies registered for the auctions



Where we can go

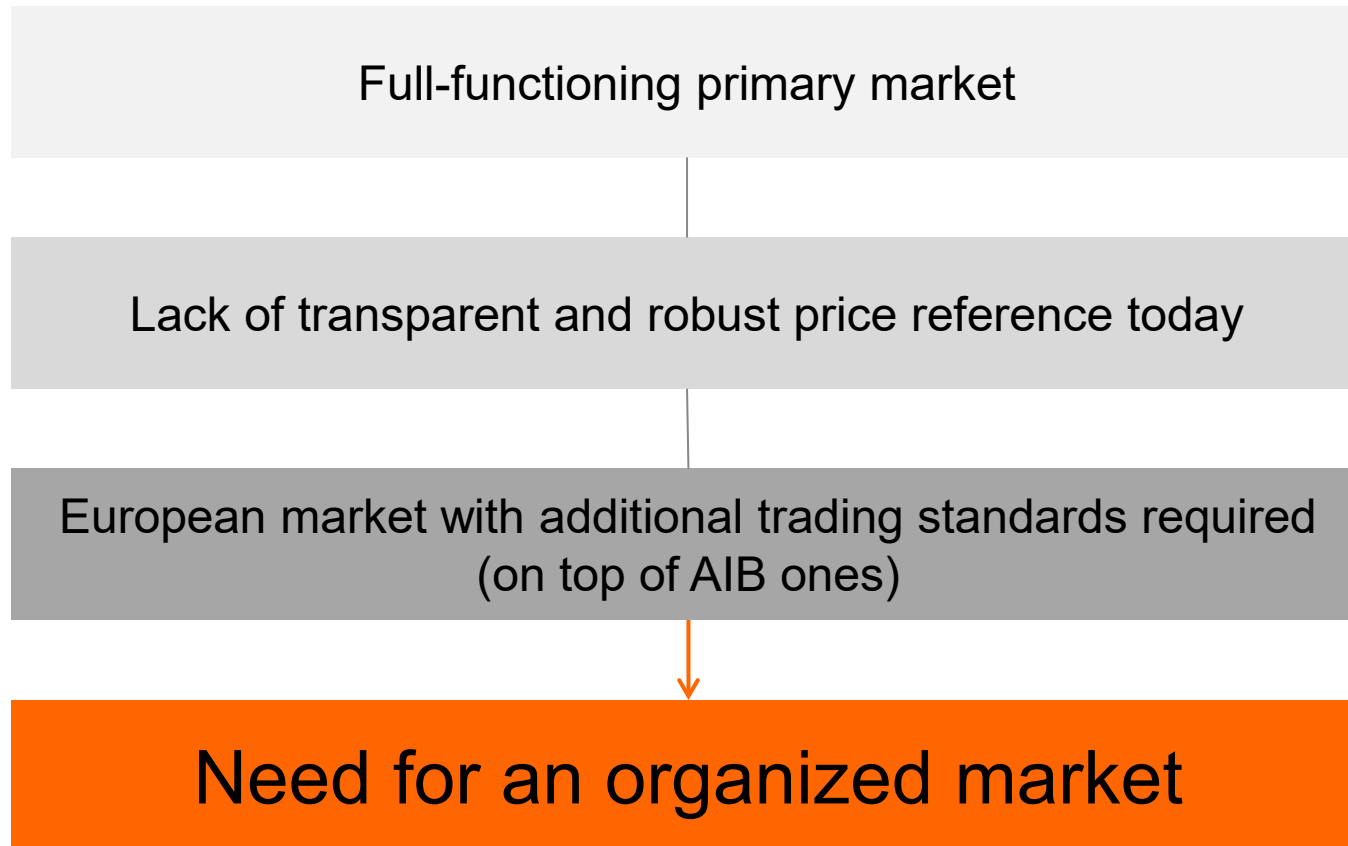
- **Strong interest** for French GOs to cover the French consumption
- **Remaining unsold volumes** + volumes not issued by the French State
- **Mandatory matching between consumption month and production month** in France as of January 2021 will probably change market participants behavior
- Discussions with the DGEC to bring **more visibility to market participants**

GOs: a unique market structure

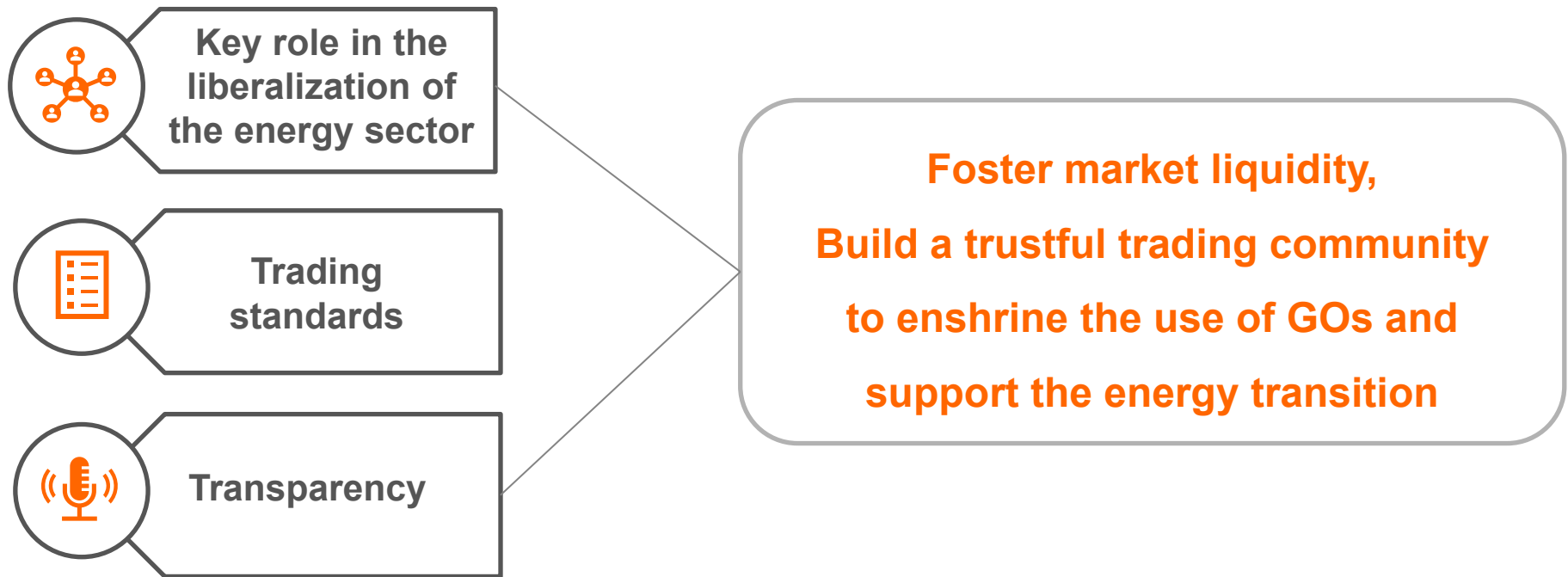


A market craving for transparency and trading standards

epexspot



The EEX Group long-standing exchange expertise bringing trust to the GOs market



A European Spot auction for GOs is coming...

> epexspot



Monthly multilateral spot auctions



GOs from renewable production in selected EECS countries



Both specific and generic GOs tradable with several levels of genericity



Strong and diverse European trading community



Reliable EPEX SPOT membership and market rules



Payment vs delivery performed by ECC

...more details to come soon!

Thank you very much for your
attention.

Marko Lehtovaara (Grexel), CEO
Mathieu Morvan (EEX), Head of Registries
Mohammed Mohammedi (EEX), Registry Business Developer |
Delphine Strunski (EPEX SPOT), Senior Business Developer