

Last updated: date (09/05/2014)

## 1 Implementation of Tracking Systems

In Croatia the market is fully liberalised since 1 July 2008.

### 1.1 Electricity Disclosure

The Act on energy (Official Gazette No. 120/12), Art 36 implements primary regulations on determining the origin of electricity and states that further regulations on disclosing information to end customers need to be implemented.

HERA (The Croatia Energy Regulatory Agency) is appointed for creating a Disclosure bylaw by the Act on Energy that came into force on 06 February 2013. The bylaw defining disclosure is in final stage of preparation and will most likely be implemented in Spring 2014. The bylaw is constructed with RE-DISS BPR in mind, but does not include environmental parameters.

HROTE (the Croatian Energy Market Operator) was appointed as the Issuing Body for GO for the Croatian Domain in February 2013 in the Electricity Market Act. HROTE is the only appointed competent body for issuing GO in Croatia. A system for CHP-GO has been implemented as well.

The Regulation on Establishing a System of Electricity Guarantees of Origin shall be determined with the rules of electricity Guarantees of Origin for the purpose of certification of electricity produced by plants in the Republic of Croatia, in accordance with the Energy Act.

The Proposal of the Methodology for determining the origin of the electricity and the manner for disclosing information to end customers defines one additional requirement for the use of GO:

The production period of a GO must correspond to the disclosure period, meaning that for disclosure of 2013 only GO produced in 2013 can be used.

#### 1.1.1 Disclosure Figures

As the disclosure regulations are not settled and implemented at the moment, no disclosure figures are available.

Disclosure will be supervised by HERA who will also do annual checks of the suppliers' disclosure statements. The Proposal of the Methodology for determining the origin of the electricity and the manner for disclosing information to end customers perceives that a short annual publication is produced for informing the general public (and customers) on disclosure. This annual publication will probably include information regarding active suppliers.

The Proposal of the Methodology for determining the origin of the electricity and the manner for disclosing information to end customers requires suppliers to use only GO and the methodology for selling products related to the origin. The products may use information on the GO (specific years - eg. new installations; specific information - location, source, etc; additional information on the GO - e.g. TUV additional certification) but cannot use other certification/brands/standards that may mislead the customer. Some standards can be used only if they do not relate to the products sold to customers (e.g. ISO 14000 standard family use by the supplier in their operations).

#### 1.1.2 Environmental Information

The bylaw on disclosure regulations will be developed having as a basis the RE-DISS BPR, but will not address CO<sub>2</sub> and radioactive waste. Disclosure of CO<sub>2</sub> and radioactive has not been advised by the primary legislation.



### 1.1.3 Suppliers Fuel-Mix Calculations

The bylaw on disclosure regulations will be developed having as a basis the RE-DISS BPR.

### 1.1.4 Acceptance of GOs

Croatia has not yet implemented any regulations on acceptance procedures for GO. The bylaw will implement criteria on acceptance of foreign GO for national disclosure purposes. Most likely these criteria will cover the full implementation of Art. 15 of the RES-Directive and the implementation of clear disclosure rules.

## 1.2 Guarantees of Origin for Electricity from Renewable Energy Sources and High-Efficient Cogeneration

The Regulation on Establishing a System of Electricity Guarantees of Origin shall be determined with the rules of electricity Guarantees of Origin for the purpose of certification of electricity produced by plants in the Republic of Croatia, in accordance with the Energy Act.

The Rules on Use of the Guarantees of Origin Registry lays down the rules of running the Registry of electricity Guarantees of Origin for the purpose of certification of electricity produced by plants in the Domain, in accordance with the Electricity Market Act.

### 1.2.1 RES-GO System

A GO issued in the Croatian system is an electronic document which has the sole function of providing proof to the final consumer that a given share or quantity of energy was produced from RES as required by Directive 2003/54/EC.

All criteria of Art. 15 RES-Directive have been implemented, so all issued GO are in line with the requirements.

According to the national Regulation Establishing the System of Guarantees of Origin of Electricity (Article 10 paragraph 9), eligible producers awarded for the feed-in tariff system are exempted from the GO system.

Currently, the declaration of production devices (basis for issuing GO) must adhere to the Grid code (including Metering code) and technical conditions set in the "Ordinance on acquiring the status of eligible electricity producer". These technical conditions are needed for implementing requirements for metering net production from RES.

### 1.2.2 CHP-GO System

A CHP-GO system will be implemented based on the RES-GO system.

### 1.2.3 EECS

Croatia plans to become an AIB member and will use the EECS system in 2014.

## 1.3 RES-E Support Schemes

According to the Regulation Establishing the System of Guarantees of Origin of Electricity (Article 10 paragraph 9), eligible producers awarded for the feed-in tariff system are exempted from the GO system.

## 2 Proposals for Improvement of the Tracking System

### 2.1 Proposals regarding general regulation on tracking systems

- BPR [1-9]: GO will be the only tracking system in Croatia, once they have implemented the EECS standard and the disclosure regulations.

Croatia will only use GO as a tracking instrument.

## 2.2 Proposals regarding Disclosure

- BPR [22]: Full disclosure schemes should be implemented, including the disclosure of CO<sub>2</sub> emissions and radioactive waste. Currently Croatia has not implemented any disclosure regulations on CO<sub>2</sub> emissions and radioactive waste.
- BPR [19]: Croatia needs to clarify whether and under which conditions the use of GOs by end consumers is allowed. Double disclosure needs to be avoided in case consumers are allowed to use GO themselves.
- Croatia plans to base electricity disclosure on the calendar year, which is fully in line with BPR [33].
- BPR [34]: The deadline for cancelling a GO for the purpose of disclosure should be the 31 March of the following year.

## 2.3 Proposals regarding RE-GO and CHP-GO

- BPR [10-12, 14-15]: The Croatian national system plans to become an AIB member within 2014 to use the AIB Hub for imports and exports. Croatia plans to be fully in line with the EECS rules.
- BPR [13]: Croatia should link all GO to disclosure, which is not fulfilled at the moment, but should be done with the implementation of a disclosure bylaw.
- BPR [25]: Croatia should provide a Residual Mix as a default set of data for disclosure for energy volumes for which no attributes are available based on cancelled GO. In case Croatia uses generation statistics, they need to be corrected. BPR [26-27]: Croatia should use the Residual Mix methodology developed in the RE-DISS project and should cooperate in delivering data for the calculation of the mix.

## 2.4 Proposals regarding Acceptance of GO

Croatia plans to implement regulations on accepting GO from foreign countries for national disclosure purposes in the disclosure bylaw. The regulations should cover the full implementation of Art. 15 of RES-Directive and of clear and transparent disclosure regulations.

BPR [20]: The rejection of a GO should only relate to the actual use of cancelled GO for disclosure purposes and should not restrict the transfer of GO between the registries of different countries. Croatia should not hinder its imports from a specific country if the GO is not recognised for disclosure purposes.

BPR [21]: Croatia should consider their criteria for the recognition of imported GO for purposes of disclosure based on the rules set by the respective Directives and the RE-DISS BPR.

## 2.5 Further proposals regarding Disclosure

Disclosure regulations will be implemented with the disclosure bylaw in Spring 2014.

## 2.6 Matrix of disclosure related problems and country-specific proposals

Problem	Country-specific proposal
Possible double counting in different explicit tracking instruments	BPRs: [9], [10], [11], [12], [13], [14 a,b], [15a],
Double counting of attributes in implicit tracking mechanisms	BPRs: [9], [11], [13], [25], [26a,b], [27], [21]
Double counting within individual supplier's portfolio	
Loss of disclosure information	BPRs: [11], [13], [15b], [19], [22]
Intransparency for consumers	BPRs: [11], [13]
Leakage of attributes and/or arbitrage	BPRs: [1a,b], [2], [3a,b], [5a,b], [6], [9], [34]
Unintended market barriers	BPRs: [4], [7, 7a,b], [8], [9], [20]

### **Disclaimer:**

The sole responsibility for the content of this document lies with the authors. It does not necessarily reflect the opinion of the European Union. Neither the EACI nor the European Commission is responsible for any use that may be made of the information contained therein.