

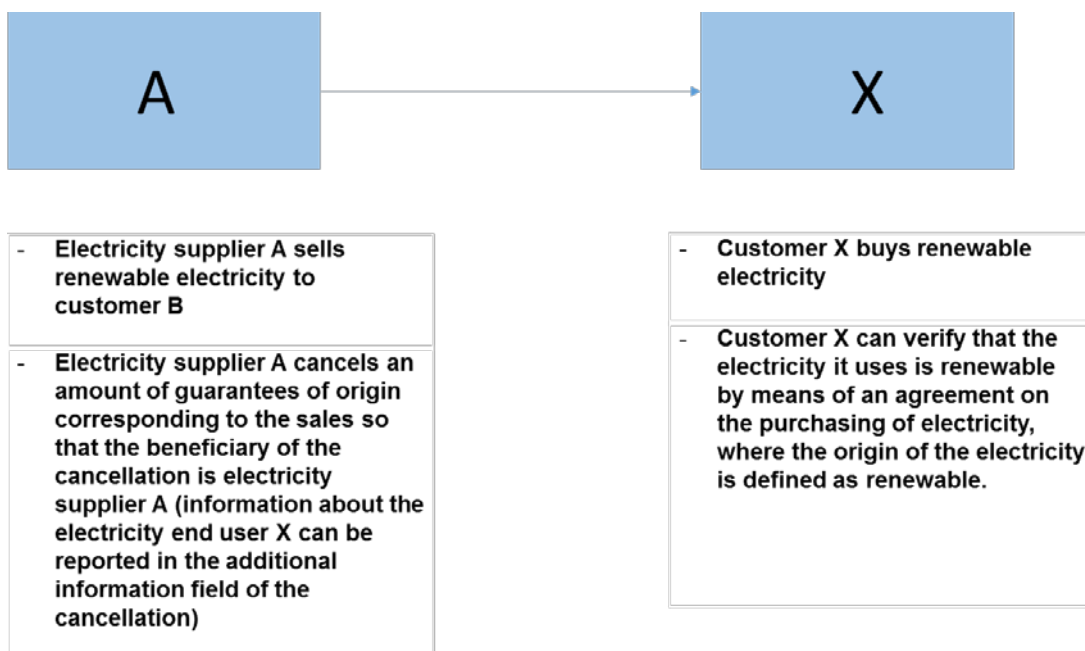
*This document is a clarification for **Ohje sähkön alkuperän varmentamisesta ja ilmoittamisesta (Instructions for certifying and disclosing the origin of electricity)**, published by the Energy Authority on 13 January 2014. These instructions will be updated during 2016. The Energy Authority clarifies its policy on practices regarding the cancellation of guarantees of origin and disclosure of the production mix. In its supervision, the Energy Authority will take into account a necessary transition period for the clarified policy.*

## CANCELLATION OF GUARANTEES OF ORIGIN

The electricity user can verify the renewable origin of the electricity it uses either by cancelling guarantees of origin or showing in some other way that it has used electricity produced from renewable energy sources and certified in compliance with the Guarantee of Origin Act (Act on Certification and Disclosure of Origin of Electricity, 1129/2003). Other certification methods include, for example, an electricity purchase agreement, where the purchased electricity has been defined as having been produced from renewable energy sources. The electricity supplier has the statutory obligation to certify the renewable source of electricity by cancelling guarantees of origin. To simplify supervision and ensure the reliability of the guarantee of origin system, the Energy Authority recommends a procedure whereby the electricity supplier cancels the guarantees of origin concerning the electricity it sells as renewable in its own name (the beneficiary of the cancellation is the electricity supplier). If necessary, when performing the cancellation in the guarantee of origin registry, information about the customer against whose consumption the guarantee of origin is being cancelled can be added in the additional information field. This additional information is also shown in the cancellation statement.

### Example 1:

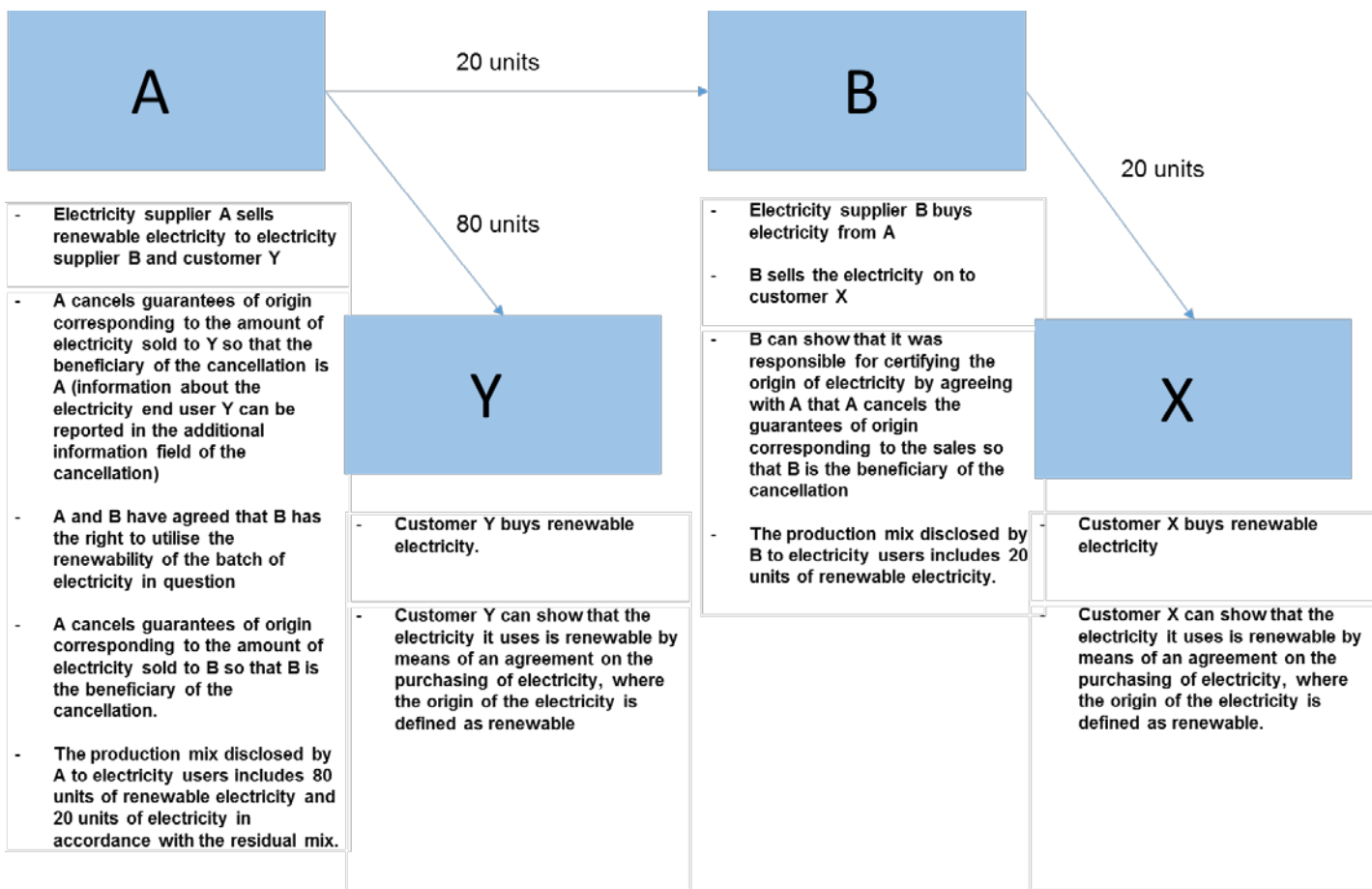
Electricity supplier A sells to its customer X (electricity end user) electricity defined as having been produced from renewable energy sources.



The electricity supplier is responsible for certifying the origin of electricity by cancelling guarantees of origin. The cancellation of guarantees of origin in the electricity supplier's name can be outsourced based on a contract. The obligation to certify set out in the Guarantee of Origin Act applies to electricity suppliers selling electricity defined as renewable in origin to electricity users. The division of energy sources disclosed by the electricity supplier to the electricity user must include all the procurement sources of electricity sold to both electricity users and electricity suppliers, with the exception of imbalance power delivered by the imbalance power unit. The aim of the obligations set out in the Guarantee of Origin Act is to ensure that the renewability of electricity can be sold or included in the electricity supplier's disclosure of origin only once.

**Example 2:**

Electricity supplier A sells electricity that is renewable in origin to both electricity supplier B and its own customer Y (electricity end user). A sells a total of 100 units of electricity. A sells 80 units of renewable electricity to Y and 20 units of electricity to B. Electricity supplier B sells on the electricity as renewable in origin to its customer X (electricity end user).



The electricity supplier can include in its production mix all of its sales of renewable electricity where the electricity supplier has sold to its customer both the physical delivery of electricity and the renewable origin of electricity. The sales can be based on an electricity sales agreement, where the origin of the electricity is defined as renewable. The sales can also be based on separate agreements, where the sales of physical electricity on one hand and the sales of the origin of the electricity on the other have been agreed with the same customer (for example, so-called portfolio agreements). For example, in the following cases the electricity

supplier cannot take the cancellation of the guarantees of origin in question into account in its own disclosure of origin:

- The electricity supplier has sold only the origin of the electricity to its customer, and the customer has bought the electricity from another electricity supplier.

- The electricity supplier has sold electricity of unknown origin to its customer, and the customer has certified the electricity itself by cancelling guarantees of origin. The electricity supplier is responsible for certifying the origin of electricity by cancelling guarantees of origin, and the fulfilment of the obligation to certify cannot be transferred to the customer, for example, by means of an agreement.