Criteria for the "ok-power" labelling of eco-electricity

Version 8.1
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EnergieVision e.V.

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This English version of criteria for ok-power labelling has been published for information purposes. In the case of doubt, the criteria for ok-power labelling as laid down in the official German version apply.

History of changes

No.	Date of change	Effective from	Description
1	14.04.2016	02.05.2016	Clarification of the criteria on the recognition of re-investment measures for ok-power certification in the supply model; Part 5.3 and 5.4

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Abbreviations

BImschV	German Federal Immission Control Act (*Bundesimmissionsschutzverordnung*)
BioSt-NachV	German Biomass Electricity Sustainability Ordinance (*Biomassestrom-Nachhaltigkeitsverordnung*)
DSM	Demand Side Management
EEG	German Renewable Energy Sources Act (*Erneuerbare-Energien-Gesetz*)
EnWG	German Energy Industry Act (*Energiewirtschaftsgesetz*)
EU	European Union
FSC	Forest Stewardship Council
GO	Guarantee of Origin
HkNDV	German Implementing Ordinance on Guarantees of Origin (*Durchführungsverordnung über Herkunftsnachweise für Strom aus erneuerbaren Energien*)
ISM	Innovation Support Model
IM	Initiation Model
kW	Kilowatt
kWh	Kilowatt hour
RAL	German Institute for Quality Assurance and Certification (*Deutsches Institut für Gütesicherung und Kennzeichnung*)
RES	Renewable Energy Sources
SM	Supply Model

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1 Introduction

1.1 Background

In this document the criteria are laid down for the awarding of the *ok-power* label by EnergieVision e.V. for eco-electricity. These criteria are effective from January 2016 onwards for all certified eco-electricity products.

EnergieVision e.V. first defined criteria for the certification of eco-electricity for 2001. In subsequent years, the criteria were regularly updated in order to further strengthen the expansion of the use of renewable energies.

With substantial shares of renewable energy in electricity production, the need for technical and market integration of fluctuating solar and wind power in the energy system has continually increased in importance. Due to these changed circumstances, the promotion of other projects and measures for achieving energy transition on the system level were incorporated – in addition to the construction of new RES plants – in the *ok-power* criteria for 2016.[1] Moreover, the standard was further strengthened in 2016 through new criteria for the ownership structure of the eco-electricity providers and through consumer protection criteria.

Ensuring a positive contribution to environmental protection through the purchase of eco-electricity remains central to the certification criteria. In the future this goal will still be achieved using various certification models that take into account different approaches for making an additional contribution to energy transition.

EnergieVision e.V. reserves the right to adapt the certification criteria to developments on the eco-electricity market and to energy policy. Major changes are made with effect from the beginning of each calendar year and are published in a timely manner. In order to protect legitimate expectations, the products which have already been certified are granted appropriate periods of transition.

1.2 Purpose of the label

The *ok-power* label aims to provide for transparency and to adhere to consumer protection in the eco-electricity market by granting its use to those products which fulfil the criteria set by EnergieVision e.V. and to those providers which behave irreproachably in terms of consumer protection.

[1] The option to supply a share of eco-electricity products from environmentally-friendly combined heat and power plants (CHP), which was suspended in 2012, remains suspended for the time being. However, EnergieVision e.V. continues to regard high-efficiency CHP based on natural gas as necessary and worthy of support for successful realization of the transformation of the energy sector – at least for a transitional period. Therefore, EnergieVision e.V. will continue to monitor the extent to which consumers and providers are interested in re-incorporating high-efficiency fossil CHP in their eco-electricity portfolios and in obtaining the *ok-power* label for this purpose.

The labelling criteria shall guarantee that the purchase of *ok-power* certified eco-electricity products engender an environmental benefit. Eco-electricity products must fulfil two requirements for this purpose. They must:

- carry out contractual delivery of electricity produced from renewable energy sources; and either
- make a contribution to the integration of renewable energies in the energy system by promoting relevant projects and measures of the energy supplier, or
- make a contribution to increasing electricity production from renewable energies which go beyond existing capacities and, as far as possible, the impact of the current regulatory framework conditions, e.g. governmental support measures (see Sections 5.3 and 6.1.1).

From the perspective of EnergieVision e.V., when no contribution is made to the integration of renewable energies in the energy system or to the expansion of eco-electricity production itself, it cannot be guaranteed that the purchase of an eco-electricity product results in an environmental benefit. This would be ensured by, among other things, more far-reaching criteria than those shown here.

Aside the above-mentioned main conditions, the labelling criteria encompass the following additional key elements:

- minimum criteria for (non-)participation of the energy supplier in the planning and operation of coal and nuclear power plants in accordance with property rights;
- minimum criteria for consumer-friendly contractual conditions of the certified eco-electricity product;
- the need to minimise the negative environmental effects of electricity production plants (see Section 2.4.2); and
- independent verification of the information provided by electricity providers during the certification process and correct product information provided to customers (see the document on the certification process and Section 7).

The *ok-power* label provides these proofs and attests that the certified product results in a positive incentive to increase the environmental benefit. The label is awarded to individual electricity products for use in marketing to electricity customers in Germany.[2] Three different eco-electricity models are used in the certification process (see Sections 3 to 5). The label is valid for one calendar year and always refers to the total quantity of electricity sold in this time frame under a particular product name.

[2] As a general rule it is possible for *ok-power* certified electricity to be sold to customers abroad. In all cases this must be agreed in advance with EnergieVision's head office.

1.3 Main changes to previous criteria

The main changes to the criteria for the *ok-power* label are summarized in the following:

- In addition to the **construction of new power plants**, the demand for eco-electricity should also make a **contribution to successful and quicker integration of renewable energies** in the electricity supply system in the future. This includes, for example, stronger efforts to increase energy efficiency and energy savings, investments in innovative technologies to compensate fluctuating electricity production and demand (storage, demand side management (DSM), virtual power plants, etc.). To achieve this, the previous "Fund Model" has been changed to an "**Innovation Support Model**". The eco-electricity provider makes a payment per kilowatt hour (kWh) of between 0.2 and 0.5 ct/kWh that is staggered according to the customer group-specific volume of sales; the payment goes into a company-intern reserve account, out of which innovative projects are financed. Eco-electricity providers should be able to co-operate to this end.
- Against the background of the increasing shortage of volumes of electricity from unsubsidized new power plants, the incentive to expand new power plants within the scope of the **Supply Model** can increase. In addition, it also remains to be seen whether the reformed German Renewable Energy Sources Act (EEG) continues to ensure an appropriate expansion of renewable energies. For these reasons, the supply model **is retained** with the previous requirements for the investment portfolio.
- Customers can choose from several dozens of eco-electricity products per postcode area, which is reflected in the wide variety of tariff conditions. In the recent past, public debate has not focused on the environmental characteristics of the electricity but rather on the tariff conditions that have been consumer-adverse in some cases. Therefore, EnergieVision e.V. is introducing **minimum criteria for consumer protection** since electricity customers rightly expect a minimum quality of protection against unfair tariff conditions from a quality label.
- The success of energy transition mainly depends on the fundamental strategic, economic and energy policy positioning of the electricity providers, which is chiefly reflected in the investment behaviour of energy suppliers. In order to take this important aspect into account, EnergieVision e.V. has elaborated **minimum criteria for the ownership structure** of the providers of the eco-electricity products to be certified. These criteria act as indicators of the direction of the electricity provider's strategy with regard to energy transition. A significant financial interest or substantial interconnection of the eco-electricity provider with nuclear power plants, lignite-fired power plants or new coal power stations excludes the provider from eligibility in future.

- Lastly, *ok-power* will make a special label available in the future to eco-electricity providers when *all* their electricity sales to non-load measured customers fulfil the criteria of the *ok-power* label.

1.4 Overview

An overview of the *ok-power* criteria is provided in Table 1. These criteria encompass:

- general criteria for all certification models to guarantee the environmental requirements of the business policy of the electricity provider, consumer protection and environmental requirements for eco-electricity production plants, and
- model-specific criteria to ensure the additional contribution to energy transition under the respective certification model (Innovation Support Model, Initiation Model and Supply Model).

Table 1: Overview of the *ok-power* criteria

<table>
<tr><td colspan="3">All certification models:

- Minimum criteria: Ownership structure of the eco-electricity provider
- Minimum criteria: Consumer protection
- Environmental requirements for eco-electricity production plants</td></tr>
<tr><td>Innovation Support Model (ISM)</td><td>Initiation Model (IM)</td><td>Supply Model (SM)</td></tr>
<tr><td>▪ Criteria for the contribution to energy transition through the compulsory investment of an amount between 0.2 and 0.5 ct/kWh of the quantity of eco-electricity sold.
▪ This support contribution is used in innovative projects and measures for improving the quality of as well as accelerating energy transition.
▪ Main areas in which funds can be used:
- efficiency and energy saving measures
- innovative storage technologies
- virtual power plants and corresponding software development and investment</td><td>▪ Criteria for the contribution to energy transition by means of activities of eco-electricity providers in the planning, financing and construction of renewable generation plants. The capacity to be established and the related additional RES production is linked to the quantity of eco-electricity sold.</td><td>▪ Criteria for the contribution to energy transition based on the need for a particular electricity mix that promotes energy transition; this includes:
▪ Special requirements for the age structure of plants to enable targeted promotion of new power plants; and
▪ No double support funding through government support instruments.</td></tr>
<tr><td colspan="3">Optional (all models):
Special label for the certification of the total volume of electricity sales</td></tr>
</table>

Overview of the documents for certification according to *ok-power* criteria

230 1. Criteria for the "*ok-power*" label for eco-electricity products (long version)
2. Criteria for the "*ok-power*" label for eco-electricity products (short version)
   Certification procedure for the "*ok-power*" label for eco-electricity products (only in German)

2 Criteria for all models

2.1 Overview

The goal of the criteria for all certification models is for the *ok-power* label to ensure not only the model-specific contribution of the eco-electricity product to energy transition (see Sections 3 to 5) but also that:

- business activities of the electricity provider that are contrary to the goals of energy transition are avoided as far as possible (minimum criteria for the ownership structure of the eco-electricity provider, with regard to, among other things, nuclear and coal-fired power plants that generate electricity),
- the consumer interests of private customers in particular are protected (minimum criteria for consumer friendliness of the tariff conditions for private household customers), and
- the high environmental quality and environmental compatibility of eco-electricity production plants is assured.

2.2 Ownership structure of eco-electricity providers

2.2.1 Relationships with nuclear power plants and nuclear power plant operators/owners

Downstream relationships[3]: An eco-electricity provider that seeks use of the *ok-power* label for its product is not permitted to have a significant[4] indirect[5] or direct stake in a nuclear power plant[6] or another type of nuclear plant (e.g. uranium enrichment) at home or abroad; this rule does not apply if the nuclear power plants or installations are permanently decommissioned.

Upstream relationships: If an eco-electricity provider that seeks use of the *ok-power* label for its product owns either directly or indirectly a nuclear power plant[6] or any kind of nuclear engineering plant[6] at home or abroad, this direct or indirect stake of the eco-electricity provider must be lower than 50%. This rule does not apply if the nuclear power plants or installations are permanently decommissioned.

[3] In the criteria "stakes" refers to "commercial stake(s) held in a company", which is defined as a membership right acquired by means of a capital contribution (cash or otherwise) to a corporation or partnership (company).
[4] A "significant" stake is defined as an indirect or direct relationship that encompasses 1% or more of a company's capital. The stake is determined proportionally across all ownership levels. For example: Company A owns 50% of Company B, which owns 50% of Company C. If C is the operating company of a power plant, Company A's stake in the power plant would amount to 25%.
[5] "Indirect stake" is a stake that arises from a chain of commercial stakes.
[6] This also includes power plants that are currently being built.

2.2.2 Relationships with coal-fired power plants and coal-fired power plant operators and owners

2.2.2.1 Lignite

Downstream relationships: An eco-electricity provider that seeks use of the *ok-power* label for its product is not permitted to have a significant[4] indirect or direct relationship with a lignite power plant[6] at home or abroad. This rule does not apply if the lignite power plants have been permanently decommissioned.

Upstream relationships: If an eco-electricity provider seeks use of the *ok-power* label for its product and owns either directly or indirectly a lignite power plant[6] at home or abroad, this direct or indirect relationship of the eco-electricity provider must be lower than 50%. This rule does not apply if the lignite power plants have been permanently decommissioned.

2.2.2.2 Hard coal

An eco-electricity provider who seeks to acquire the *ok-power* label for its product is not eligible if it has

- a significant indirect or direct stake in a hard coal power plant at home or abroad, that entered operation as a new power plant after 01.01.2015; or
- acquired a significant indirect or direct stake after 01.01.2011 with a hard coal power plant at home or abroad, irrespective of plant age.

EnergieVision e.V. reserves the right to examine existing contracts in individual cases.

2.2.3 Involvement in planning of new nuclear and coal-fired power plants

Downstream relationships[7]: The eco-electricity products of an eco-electricity provider that is indirectly or indirectly planning to build a nuclear, hard coal or lignite power plant at home or abroad during the period in which the label is to be used are not eligible for *ok-power* certification.

Upstream relationships[7]: If a company has either indirectly or directly a stake of at least 50% in the eco-electricity provider and is planning to build a nuclear or coal-fired power plant, the provider will not be eligible for certification.

[7] For the definition of "significant stake", see Footnote 4.

2.3 Consumer protection

Fair and transparent terms and conditions of the eco-electricity provider are basic components of a good eco-electricity product. *ok-power*-labelled eco-electricity providers are therefore obliged to offer fair tariff conditions, to refrain from the use of hidden clauses and inappropriate/unfair preconditions in relation to the fulfilment of a service commitment to the customer, and to design and communicate their tariff and contractual conditions clearly and comprehensively.

The eco-electricity product submitted for certification must meet the following requirements relating to consumer protection for private customers (households):

- Payments of the private customer to the eco-electricity provider are not to be made in advance. Customary monthly pre-payments are not regarded as advance payments.
- It is not permitted for the contractual conditions to set the customer a minimum purchasing quantity, except for the purpose of granting a new customer bonus.
- The contractual conditions may not require any purchase of fixed volume packages.
- EnergieVision e.V. reserves the right to deny this minimum qualification after an individual assessment if the provider's contractual conditions deviate from the current legal regulations and relevant case law and in the case of extraordinary contractual conditions.

2.4 Environmental requirements for electricity production plants

2.4.1 Overview

- The contractually delivered electricity must come exclusively from generation plants that meet the requirements of Section 2.4.2.
- This requirement refers to the complete quantity of electricity delivered to the customers of the certified product without consideration of the disclosure of an electricity quantity under the German EEG in accordance with § 42 of the German Energy Industry Act (*Energiewirtschaftsgesetz*, EnWG) and § 78 of the German Renewable Energy Sources Act (*Erneuerbare-Energien-Gesetz*, EEG).[8]
- The contractually delivered electricity must not originate from power plants specified in Section 2.4.3.

[8] This is in keeping with the meaning of the above-mentioned legal regulations, in particular § 78 para 4 EEG, that in the disclosure to electricity customers no individual attributes (e.g. of power plants that do not meet the above requirements) can be selectively replaced by the disclosed EEG quantity.

2.4.2 Eligible eco-electricity production plants

2.4.2.1 Basic rules

The following criteria apply to electricity produced in Germany. As a rule these requirements apply analogously to foreign power plants.

EnergieVision e.V. reserves the right to set more comprehensive criteria in the light of future experiences gathered with the approval procedure for certain generation plants.

2.4.2.2 General requirements

- Only the followed power plants are eligible:
  - power plants that adhere to the prevailing legal provisions for licensing and operation; and
  - power plants that produce electricity from renewable energy sources.
- Power plants that are refused governmental support funds (under the German EEG or comparable mechanisms) for environmental reasons are not eligible.
- Unless otherwise stipulated in the following sections, no additional requirements beyond those specified in the licensing procedure are placed on the properties of the generation plants for electricity from solar power, wind power, sewage gas and geothermal energy.

2.4.2.3 Hydropower

Run-of-river power plants are eligible as a rule.

In the case of pumped storage hydro power plants, the maximum eligible amount is the net electricity production of the power plant, i.e. the electricity production minus all auxiliary energies (including pump current).[9]

Hydroelectricity should come primarily from reactivated or rehabilitated plants, as interference with the natural habitat remains comparatively low in these cases.

2.4.2.4 Biomass

For electricity from solid, gaseous and liquid biomass, the following restrictions apply:

Biomass from not continuously forested areas (e.g. agricultural areas such as fields or short-rotation plantations or landscape conservation areas) is eligible when the fuels comply with the area-related requirements laid down in the German Biomass Electricity Sustainability Ordinance (*Biomassestrom-Nachhaltigkeitsverordnung, BioSt-NachV*) in its current version.

Biomass from continuously forested areas is eligible when it originates from FSC-certified forestry.

[9] This is in keeping with the regulations of the EECS, as implemented by the updated German Implementing Ordinance on Guarantees of Origin (HkNDV).

For liquid biomass the requirements based on the greenhouse gas (GHG) mitigation potential laid down in the German BioSt-NachV in its current version. EnergieVision e.V. reserves the right to subject gaseous and solid biomass to comparable requirements based on the GHG mitigation potential, once corresponding procedures have been introduced.

In addition, liquid biomass is only admissible if it has been produced from biomass grown in Europe. EnergieVision e.V. reserves the right to change the criteria for liquid biomass in the future.

Wood residues and pulpwood not related to specific areas (e.g. waste wood) are only allowed to be used in the case of untreated wood or wood that has only been treated mechanically or of recycling products bearing the RAL GZ Quality Label 428. In individual cases it is also possible for quality assurance procedures comparable to the RAL Quality Label to be recognised.

Co-firing biomass in thermal power plants is also eligible provided it fulfils the above-stated requirements. The quantity of electricity produced needs to be broken down in calculations according to the heat value of the relevant fuels.

2.4.2.5 Solar radiation energy

Photovoltaic plants located in the open spaces of national parks, nature conservation areas, biosphere reserves and landscape protection areas are not eligible. This also applies to comparable protection areas abroad.

Apart from the applicable licensing conditions for PV plants in open spaces, no additional environmental criteria currently apply for *ok-power* certification.

Electricity from photovoltaic cells on buildings and from solar thermal generation is eligible.

2.4.2.6 Wind power

Electricity from offshore and onshore wind power plants in national parks and other designated areas of protection is not eligible.

Apart from the applicable approval requirements, no further environmental criteria currently apply for offshore wind power plants.

2.4.2.7 Other energy sources

For electricity from sewage gas and geothermal energy, no conditions beyond the applicable legal requirements apply.

2.4.3 Non-eligible generation plants

For clarification, the production of electricity from energy sources listed in the following is <u>not</u> eligible for *ok-power* certification:

- Electricity from plants for thermal waste management (the so-called "17. BImSchV-Anlagen")[10] is not eligible, unless confirmation is provided by an expert that the specific quantities of electricity accompanied by Guarantees of Origin are from biomass satisfying the requirements under Section 2.4.2.4.
- Electricity from landfill gas.
- Electricity from mine gas is not eligible since it is (despite promotion under the German EEG) not a renewable energy source.
- Electricity generated from peat.
- Electricity generated from all types of fossil fuel.

2.5 Guarantees of origin

In accordance with §42 of the German Energy Industry Act (EnWG) the proof of delivery of renewable electricity from certain power plants has to be provided in the form of Guarantees of Origin, which are cancelled from the German Environment Agency's register for Guarantees of Origin.

2.6 Optional: A special label for the certification of total sales volume

An eco-electricity provider is awarded a special *ok-power* label when it delivers per contract *ok-power*-certified electricity to 100% of its delivery points not measured by load.[11]

[10] This also applies to biomass in power plants covered by the 17th German Immission Control Act (BImSchV), which are recognized as renewable energies within the terms of the German EEG in accordance with the German Biomass Ordinance.
[11] This special *ok-power* label and the accompanying rules regarding its communication will be elaborated by 31.12.2015.

3 Requirements: Innovation Support Model

3.1 Overview

In the Innovation Support Model, innovative technologies and future business models are promoted based on the support contributions of the eco-electricity customers, which notably advance energy transition and meet the requirements of EnergieVision e.V. (see Section 3.5). This model focuses on the diverse measures necessary for energy transition that lie outside the scope of energy production and that cannot currently be implemented under competitive conditions due to lack of market maturity or profitability and are therefore in need of support.
Measures for energy production are only eligible under the Innovation Support Model in exceptional cases (see Section 6.1.2.6).

Measures promoted under the Innovation Support Model contribute to energy transition by, for example,

- reducing electricity demand on the basis of energy efficiency measures,
- aligning electricity supply and demand more efficiently over time by means of innovative storage technologies, demand side management measures and smart management (virtual power plants), and
- enabling societal and business players to become active in energy transition via educational measures.

In addition to the general requirements specified in Section 2, the following requirements apply for *ok-power* certification under the Innovation Support Model (ISM):

- Eco-electricity providers shall undertake the following under the Innovation Support Model:
  - To transfer a fixed support contribution in ct/kWh (see Section 3.2) for each kWh of the sold certified eco-electricity product to a reserve account ("innovation fund") and manage it (see Section 3.3).
  - To invest promptly the support contributions collected in the innovation fund in energy transition measures that have been pre-approved by EnergieVision e.V. As a general rule, the support contributions must be so invested by the end of the year after next at the latest. In this way, a higher investment amount can be achieved and securely planned financing commitments can be made; and
  - The projects/measures geared to energy transition have to be implemented in accordance with the milestones agreed with EnergieVision e.V. in the project application.
- The use of the funds must be in keeping with the general rules of Section 3.4.
- The energy transition projects/measures supported under the ISM must comply with the requirements of Section 3.5.

3.2 Support contribution

The eco-electricity provider undertakes to transfer, for each kilowatt hour of eco-electricity sold to its customers, a support contribution amounting to the following to a reserve account for innovations ("innovation fund"):

Table 2: Support contribution under the ISM

Electricity volume per delivery point and year	Support contribution
For the first 20,000 kWh	0.5 ct/kWh
From 20,001 to 50,000 kWh	0.4 ct/kWh
From 50,001 to 100,000 kWh	0.3 ct/kWh
From 100,001 kWh	0.2 ct/kWh

For commercial customers grouped together, the sum of sales of all points to which the eco-electricity product is delivered is taken as a basis to calculate the support contribution.

3.3 Management of reserved funds

The funds reserved for this purpose are managed by the eco-electricity providers and entered as a rule in the accounting records into a special reserve account. The input of all support contributions and all withdrawals for the supported innovation projects and measures are recorded in this reserve account and checked by independent auditors.

It is determined in the project plan whether and to what extent revenues from the projects are fed back into the innovation fund.

No support contributions will be managed by EnergieVision e.V. on behalf of the eco-electricity provider.

3.4 Rules for the management of funds under the ISM

The amounts in the innovation fund may be used by the eco-electricity providers for projects of their own, of third parties and for joint projects with third parties.

The reserved funds can also be used to subsidize investment costs or operating costs. Other support structures are possible after consultation with EnergieVision e.V.

The certified eco-electricity provider can pool funds from its own innovation fund with those from the innovation funds of other power-ok certified eco-electricity providers, thereby increasing the investment volume and to make projects more effective and possibly more efficient. For this purpose EnergieVision e.V. is creating a platform on which the eco-electricity providers can search and make available their own projects, measures and unutilized innovation funds.

The support funds may only be used within the scope and according to the purpose stated in the approved project proposal. The permissible amount of funds is set by

EnergieVision e.V. in cooperation with the respective eco-electricity as part of the project plan for each project based on the calculated need for funds.

The support funds are to be used efficiently. For this purpose EnergieVision e.V. checks, among other things, the cost components of the planned project within the scope of the project application. EnergieVision e.V. can, for example, set rules and rates for administrative costs or reject proposed uses for the funds if the project's planned cost components go beyond standard market costs. Costs are eligible if they are directly needed for the implementation of the approved measures. It is not permitted for the project planning costs to be included.

Costs are permissible if they finance the implementation of measures under the ISM compared to the situation without the support provided by the *ok-power* funds.

3.5 Requirements for measures/projects under the Innovation Support Model

To ensure that a contribution to energy transition is made, all measures promoted under the innovation support model must fulfil the criteria specified in this section.

Measures under the innovation support model must be approved by EnergieVision's head office in advance.

Measures can be approved by EnergieVision's head office if they meet all of the following requirements:

- The measures are included in the positive list of the catalogue of measures for the Innovation Support Model (see Section 6) or they are proposed as "Other Measures" (according to Section 6.1.2.7) by the eco-electricity provider and do not feature in the negative list of the current catalogue of measures (see Section 6.1.3).
- In addition, the measures have to fulfill the general criteria of the catalogue of measures which apply to all measures (see Section 6.1.1).

In the current version of the catalogue of measures, EnergieVision e.V. has made an initial selection of measures and projects that seem appropriate for promotion under the Innovation Support Model (positive list). These measures have, in the view of EnergieVision e.V., a substantial and/or accelerating effect on energy transition and their potential has – due to a current lack of profitability, among other things – not yet been exhausted.

By contrast, the negative list of the catalogue of measures contains measures that are not eligible under the Innovation Support Model because they generally do not, from the viewpoint of EnergieVision e.V., make a substantial or accelerating contribution to energy transition or they can be realized in an economically feasible way without the promotion of eco-electricity customers.

EnergieVision e.V. will continually reevaluate and, if appropriate, adjust the lists of
505 measures according to the course of energy transition; the changes will only apply to future measures (planning security for the investing eco-electricity provider).

4 Requirements: Initiation Model

4.1 Overview

As part of the Initiation Model, the eco-electricity provider itself generates electricity from renewable energy sources or purchases it from the electricity producer and delivers it per contract to the customers. In order to achieve the necessary environmental benefit, the eco-electricity provider must significantly foster the expansion of renewable energies in Germany by means of its own organizational and financial initiative ("initiation efforts"). This commitment can fall within the scope of governmental support measures, e.g. in particular the German Renewable Energy Sources Act (EEG).

In order to ensure an incentive for the construction of eco-electricity power plants based on renewable energy sources, the following requirements apply in addition to the general requirements of Section 2:

- The initiation efforts of the eco-electricity providers must comply with the requirements specified in Sections 4.2 to 4.5.
- The initiated generation plants must comply with the requirements of Section 4.4.
- Eco-electricity products can only be certified under the terms of the Initiation Model when the quantity of certified electricity amounts to more than 25% in relation to total electricity sales delivered to private and small commercial customers (including all companies and affiliated companies participating in the initiation). At the same time, the annual quantity of certified eco-electricity sold must amount to at least 5 GWh/a.[12,13]
- In the case of combined use of the Initiation Model and the Supply Model, the requirements of Section 4.5 must be complied with.

4.2 Eligible initiation efforts

Within the scope of *ok-power* certification, initiation efforts of the eco-electricity provider are assessed according to the definitions and rules stated in this section.

The eco-electricity provider's initiation efforts are eligible when they take the form of either financing or planning a new eco-electricity production plant based on renewa-

[12] Deviations from this requirement can be recognized by EnergieVision e.V. in individual cases if the provider's total electricity sales are very low.
[13] Should the actual quantity of electricity delivered to the eco-electricity customers be lower than the quantity originally certified and thereby not meet the above-mentioned relative or absolute minimum quantities, the minimum quantities will provide the assessment basis for calculating the initiation requirements under Section 4.3.

ble energies. The basis on which this is assessed is the renewable electricity production of the initiated generation plants that is attributable wholly or partly as a result of the eco-electricity provider's own efforts.

Regarding the electricity production of initiated eco-electricity plants, 25% is attributed to the "project planning" stage and 75% to the "financing" (i.e. project investment) stage. If the eco-electricity provider only carries out a part of the project planning or financing efforts, the eligible initiation efforts are adjusted accordingly.[14,15]

An eco-electricity provider can only submit for certification the initiation efforts of companies and affiliated companies with which they are related under property law.[16] The shares eligible under property law are determined according to the point of time when the building permit was issued.[17,18]

Borrowed funds are classified fully as the initiation efforts of the provider if the latter contractually obliges the lenders to refrain from communicating to the final energy consumers or other customers that the borrowed funds were in any way made available for environmental reasons, e.g. to initiate electricity production from renewable energies.

Operation of the power plants initiated and counted by the eco-electricity provider under this model must begin within 5 years of the start of the certification year. At the request of the provider, this 5-year period may also include a maximum of the two previous years.

The accreditation of initiation efforts is based on the projected average annual income of generation plants. Expert opinions developed according to the current state

[14] Should EnergieVision e.V. decide on the basis of further experiences that the weighting of project planning in relation to financing given in the previous paragraph needs to be altered, it reserves the right to correct retrospectively how initiation efforts have previously been taken into account using a best case analysis.

[15] Based on further experiences gained, EnergieVision e.V. shall assess whether it is useful and necessary to set a minimum share of a project's planning and financing activities as an entry threshold. Such an entry threshold could be useful in order to exclude marginal ownership which, considered in isolation, cannot be regarded as a substantial initiation effort.

[16] For example, in the case that the company responsible for project development or the operating company of the initiated eco-electricity plant is an affiliated company of the eco-electricity provider.

[17] To be able to make greater shares of the project development company eligible for certification than permitted by this rule, the expert should be provided with proof of timely and sufficient efforts of the eco-electricity provider to this end (e.g. on the basis of Managing Board resolutions, minutes of meetings). This can apply, for example, if the company's name is changed just before the building permit is issued or the eco-electricity provider has already committed itself, when the building permit was issued, to taking over the project development company without having yet formally acquired property rights.

[18] In order to take sufficient account of the long lead times often involved in acquiring projects, the applicable time for determining the financing shares can be postponed to, at the latest, the end of the calendar year after which the power plant enters operation.

of research and technology are central to this projection. A yearly electricity production that has already been credited once as an additional initiation effort cannot be counted as an additional initiation effort in subsequent years.

4.3 Scope of the initiation efforts

4.3.1 Overview

The eco-electricity provider initiates new power plants for eco-electricity production in at least the scope required in this section.

The requirements relating to the scope of initiation efforts are differentiated according to sales to existing customers and additional sales to new customers.

The share of electricity sales to existing customers is determined by the quantity of electricity sales to customers made five years previously. The quantity of additional sales to new customers is determined by the additional quantity of electricity sales as a positive difference to the maximum yearly sales in the last five years. In the case of new certification under the terms of the Initiation Model, a provider's total electricity sales certified for the first time under the Initiation Model is defined as additional new customer sales.[19]

4.3.2 Requirements for *additional new customer sales*:

- For *additional new customer sales* within the meaning of Section 4.3, the eco-electricity provider ensures that within the 5 year period specified in Section 4.2 an additional quantity of eco-electricity is fed into the electricity grid from generation plants initiated by the provider that amounts to 50% of its additional new customer sales. This means that the eco-electricity provider initiates, as a yearly average, eco-electricity plants with an electricity production that amounts to 10% of electricity consumption of its *additional new customer sales*.

- At the end of the 5-year period, the requirement for existing customer sales applies for additional new customer sales.

4.3.3 Requirements for *existing customer sales*:

For *existing customer sales* within the meaning of Section 4.3 the eco-electricity provider shall ensure that within the 5-year period stated in Section 4.2 an additional quantity of eco-electricity shall be fed into the electricity grid from plants initiated by the provider amounting to 4% of the electricity consumption of its *existing customer sales*. From the perspective of existing customers, a new eco-electricity plant which meets their electricity demand is thereby initiated every 25 years.

[19] This occurs independently of whether it is a completely new *ok-power* provider or a product which has previously been certified under the terms of the Supply Model and is now to be certified under the Initiation Model.

4.4 Requirements for initiated generation plants

The initiated generation plants must comply with the criteria specified in Section 2.4.

Only those initiation efforts that are based on renewable energy plants which feed in electricity to the German power grid are eligible. Power plants of other countries in Europe can only be taken into account if approved beforehand by EnergieVision e.V. on a case-by-case basis. The foundation for this is always the individual decision made by EnergieVision e.V. The share of initiation undertaken abroad, which can be counted towards fulfilment of the new initiation obligation of a certification year, is limited to a maximum of 20% of the total additional initiation obligation of one year. Only those power plants that are eligible for governmental support within the meaning of Section 5.3 are eligible.

Initiated eco-electricity plants are not allowed to be marketed as eco-electricity plants outside of the marketing per the *ok-power* Initiation Model. For reasons of practicality and verifiability, this criterion applies only for the first five years after the power plants have commenced operation.[20] For initiated plants in Germany this means in effect, according to current law, that when feed-in compensation under § 37 or § 38 of the German EEG or the sliding market premium in the form of § 34 EEG[21] is not claimed, the direct marketing either has to be carried out via the stock market by excluding information about electricity labelling or the electricity is assigned to the delivery share for the customers of the certified eco-electricity product.

4.5 Switching from certification under the Supply Model to the Initiation Model

In order to simplify the transition of certification of existing eco-electricity products from the supply model to the initiation model, a stepwise transition is allowed. In this case, only a share of the eco-electricity sales of a specific product can be certified according to the criteria of the Initiation Model. The remaining share is certified according to the criteria of the Supply Model. The following rules apply:

- The minimum share of the (planned) delivery quantity, based on which the criteria under the Initiation Model are fulfilled, has to make up 50% of the total quantity of electricity delivered. If the (planned) share is less than 80%, it will be specifically stated on the website in the detailed product information

[20] To exclude separate double sales, a yearly self-declaration of the plant operator (usually the eco-electricity provider itself) and a documentation of the way in which the produced electricity quantities are sold are minimum requirements. After product certification has been completed and after proof has been submitted of all initiation activities carried out by an eco-electricity provider for certification, the self-declaration and the documentation on the sale method can be directly submitted to EnergieVision e.V. without the need to engage an independent expert for this purpose.

[21] If the feed-in compensation under § 37 or § 38 of the German EEG or the sliding market premium under § 34 EEG is claimed, the corresponding electricity quantities are automatically attributed in electricity disclosure to feed-in compensation under the German EEG. It is in any case not permitted for the renewable basis of the electricity production to be included in marketing to third parties in these circumstances.

that the criteria under the Supply Model are partly fulfilled (to a maximum of 50%).

- Partial delivery of eco-electricity under the Supply Model is limited to a maximum of three years after certification begins under the Initiation Model. In the case of strong growth in eco-electricity sales in this period, EnergieVision e.V. can decide to extend this period in individual cases.
- Within the scope of publication of the product data by EnergieVision e.V., the power plants delivering the electricity are disclosed alongside the generation plants counted under the Supply Model.

5 Requirements: Supply Model

5.1 Overview

Within the scope of the Supply Model, eco-electricity providers produce electricity themselves from renewable energies or purchase it from producers and deliver it per contract to their customers. In order to guarantee the necessary environmental benefit, the electricity portfolio delivered contractually has to fulfil special requirements related to the age structure of the electricity production plants and shall not have received governmental support in the past.

In addition to the general requirements stated in Section 2, the following requirements also apply for eco-electricity products under the Supply Model:

- The age of generation plants for contractually delivered electricity must satisfy the requirements specified in Section 5.2.
- Governmental support of the electricity production is not permitted in accordance with Section 5.3.

The stated requirements refer to the complete quantity of electricity delivered to customers without consideration of the disclosure of an electricity quantity under the German EEG in accordance with § 42 of the German Energy Industry Act (*Energiewirtschaftsgesetz*, EnWG) and § 78 of the German EEG.[8]

5.2 Age structure of the electricity mix

In order to provide an incentive to build new eco-electricity production plants based on renewable energy sources, the following rules apply:

- In each calendar year, the share of electricity from "additional new power plants" shall be at least 33% of the procurement portfolio of a certified product within the terms of Section 5.4.
- Furthermore, in each calendar year an additional 33% of the procurement portfolio of these products must additionally come from electricity produced by "additional newer existing plants" within the terms of Section 5.5. If the share of electricity from additional new power plants is higher than 33%, this requirement is reduced accordingly.

The aim of this rule is that every six years at the latest new power plants (or power plants with substantial re-investments) are contracted for a portion of the certified quantity of electricity. At the same time, the rule also aims to provide an incentive for power plants that can no longer be recognized as new to be retained in the product's procurement portfolio for a further six years, thereby easing the halt on investments.

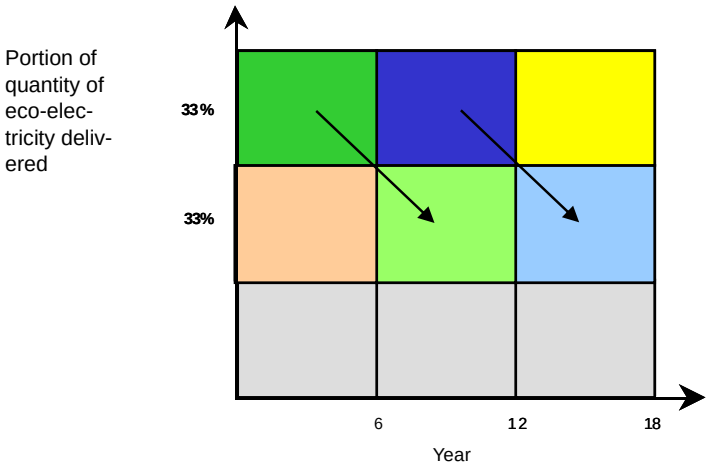

Figure 1: Principle of the new power plant criterion in the Supply Model

5.3 Exclusion from governmental support schemes

All electricity production plants are considered "eligible for support" on a governmental level if they have, under the terms of the applicable governmental support scheme, a right to sell and receive payment for their electricity or have a right to other significant benefits (e.g. investment subsidies, sale premiums, etc.), irrespective of whether this right is exercised. The support schemes include, for example, the German EEG as a price-controlling support scheme and El-cert as a volume-controlling support scheme.

Electricity production plants that are recognized under the ok power criteria must not be eligible for support under the German EEG or other price-controlling governmental support schemes.

Electricity from power plants which are eligible for support within the scope of a quota-based support model (i.e. a support scheme that controls electricity volumes like the El-cert system in Norway and Sweden) can be recognized as electricity from additional new plants or additional newer existing plants if the following requirement is met: it must be proven that the electricity quantity is not used to count towards fulfilling the quota in the applicable support scheme, i.e. proof must be provided that the support option is not being used.

This also applies to electricity quantities from new power plant shares arising from re-investment measures. In these cases, the support received for the respective re-investment measure is decisive for recognition of the electricity quantities under the ok power criteria.

In the case of power plants that are completely new or existing power plants that are completely newer, the proof is unambiguous since the Guarantees of Origin contain the words "not supported".

However, power plants in which re-investments have been made deliver electricity that cannot be assigned to the different power plant categories on the basis of Guarantees of Origin. Therefore, in such cases further verification is required, e.g. in the form of an expert opinion provided by a sworn environmental verifier. In the case of re-investment power plants, support eligibility and the actual support received are not considered on the plant level but rather on the basis of the specific re-investment measures. In order to be recognized as electricity quantities generated in new power plants, operators of a re-investment power plant must prove that the applicable re-investment measure is not funded by a governmental support scheme. The right itself to the funding for re-investment under a quota-based support model like the El-cert system does not lead to non-recognition under the ok power criteria as long as the available support has not actually been claimed.

5.4 Additional new power plants

5.4.1 Completely additional new power plants

Generally, power plants recognized as "new power plants" began operation no earlier than six years prior to the start of the calendar year in which the certified electricity is sold. The start of operation is understood as the first feed-in to the grid. The exclusion from governmental support stipulated in section 5.3 must be guaranteed for the period during which the new power plant is to be certified. If quota-based support (e.g. EL certificates) is claimed during the year, the plant operator must specify the electricity quantity concerned for the time frame in which the power plant is eligible. This can be recognized as electricity from additional new power plants. Energievision e.V. must be notified, without delay and without being prompted, of changes to the support situation of a power plant recognized under the ok power criteria.

5.4.2 Additional new power plant shares / re-investment power plants

If large re-investments (rehabilitation, capacity increase through turbine improvement etc.) or large investments in maintenance that are significantly higher than the usual costs for operation and maintenance of the plant have been made within six calendar years prior to its eco-electricity certification and the power plant cannot be considered a new power plant according to the above rule, some of the electricity production can be recognized as electricity from new power plants.

The extent to which such power plants can be assessed as new plants on the basis of re-investment can be calculated using one of the following methods:

Amount of re-investment: The relative share of the new power plant corresponds to the relation of the current value of the re-investment to a comparable new investment for the entire power plant including all plant components adopted from the existing power plant. All significant, admissible investments made within the last six calendar

years can be added together in the calculation. If the power plant was taken out of operation completely for the time period of the re-investments, all investments can be assigned to the year in which operation resumed.

$$\text{New power plant share} = \frac{\text{current value of investment}}{\text{Value of new investment for whole power plant}}$$

Increase in capacity: The share of the new power plant is determined by the difference be-tween the installed plant capacity (that is technically usable at least in the short term) before and after re-investment. (Increases in capacity that cannot be used because additional investments are pending are not eligible to be recognized under this criterion). This increase is converted to the share of the electricity fed into the grid in the year concerned.

$$\text{New power plant share} = \frac{\text{capacity afert investment} - \text{capacity before investment}}{\text{capacity after investment}}$$

New power plants (including ones partially recognized as new power plants based on re-investments) must meet the requirements of Section 5.3 (exclusion from governmental support schemes).

Recognition of new power plant shares arising from re-investments that are wholly or partially financed by investment- or production-related support schemes is not possible. Re-investment power plants are considered separately. For the recognition of new power plant shares under the ok power criteria, the respective reinvestment measure is considered.

If a re-investment is eligible under a quota-based support model but this support is not claimed, the new power plant share in question can still be recognized. If, however, for a certain re-investment measure investment- or production-related support (e.g. EL certificates) is claimed, this re-investment is excluded from certification as a new power plant share. However, if it can be proven that no support has been or is being claimed for a different re-investment measure in the same power plant, this can be recognized as a new power plant share.

A new power plant share can be recognized if the reinvestment measure is not eligible for governmental support or if the support in a volume-controlling system such as EL-cert is not claimed. If this situation changes because such support is subsequently claimed, recognition under the ok power criteria is withdrawn for the time frame in which the quota-based support is used. Plant operators are therefore obliged to notify Energievision e.V. without delay and without being prompted if there are any changes in the support situation of a power plant certified under the ok power criteria. If quota-based support has been claimed or ended during the year,

the electricity quantities must be precisely specified and it must be proven that no support was claimed for the rest of the relevant time frame. The electricity quantity from a partially new power plant is calculated by multiplying the new power plant share with the electricity produced during the eligible periods of the year.

If a power plant share is eligible for support within a price-controlling governmental support scheme like the German EEG, this reinvestment is not recognized as a partial new power plant in accordance with paragraph 5.3 of the criteria.

5.5 Additional newer existing power plants

As a rule, power plants are recognized as "newer existing power plants" if they began operation at least six years – but no more than twelve years – prior to the calendar year in which the certified electricity is to be sold.

If a power plant has been recognized as an additional new power plant on the basis of re-investments, this power plant can later receive proportional recognition as an additional newer existing power plant in accordance with the previous paragraph. Proportional recognition as an additional newer existing plant is not otherwise possible.

Newer existing plants that fulfil the requirements stated in Section 5.3 (exclusion from governmental support) are recognized as "additional newer existing plants".

6 Annex 1: Catalogue of suitable measures and projects under the Innovation Support Model

This catalogue of measures describes suitable measures under the Innovation Support Model. In addition, measures that are explicitly not eligible are also listed.

6.1.1 General criteria

The *ok-power* label makes funds available the Innovation Support Model in accordance with criteria that ensure that an additional benefit for energy transition is brought about.

- The projects must have a qualitative or accelerating effect on energy transition.
- The projects, particularly in the field of efficiency measures, must meet exemplary quality standards. The eco-electricity providers must ensure that these quality standards are used and in the process meet at least the quality criteria of governmental support programs.
- Measures are not eligible if they are already the industry standard.
- The measure is not allowed to be required by law: If the measure is expected to be required by law in the near future, it is also not eligible under this model. Therefore, the only measures which qualify are those that go beyond the effect of that required by law.
- The *ok-power* label may reject measures if there are sound indications that the measures of the eco-electricity provider would have been implemented anyway. Measures are not eligible if they began, were completed or put into operation prior to the period of certification or have already been fully funded by other means. The extension or expansion of existing activities may be eligible in individual cases.
- Projects within the terms of the ISM that are not achieving market maturity under current conditions must have a degree of technology maturity of at least 5 (see Figure 2). The promotion of basic research is therefore excluded.
- The existence and availability of support programs has to be checked in the case of each measure. Governmental support funding and *ok-power* funding can only be combined if the *ok-power* support funds are used efficiently and bring about an additional effect for energy transition. Governmental support funding should therefore be exhausted where possible. However, governmental support funding does not have to be used if it does not make sense in justified cases (e.g. very limited support funds or significant delays to the project). If the governmental funding body permits this, *ok-power* funds can be used in advance of the expected support contributions.

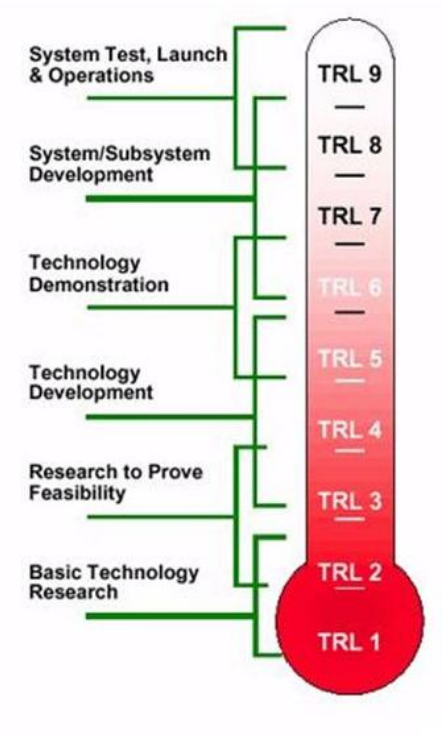

Figure 2: Degree of technology maturity

Source: Forschungszentrum Jülich

6.1.2 Suitable measures ("positive list")

6.1.2.1 Efficiency measures

The environmental benefit of efficiency measures above all lies in a reduction of electricity consumption, resulting in a conservation of resources. Energy saving is always preferable to production because electricity production from renewable energy sources also consumes resources. With energy saving, the goal of a 100% renewable electricity supply is achieved more quickly since the quantity of fossil energies to be displaced decreases.

In addition to the environmental benefit, there is also an economic benefit for the customer as a result of the decrease in energy costs.

The following measures should ideally be implemented in combination. For example, one measure can be a subsidization of the purchase of energy-efficient appliances in order to fulfil a provider's self-imposed energy-saving target.

Suitable measures:

- Efficiency consulting,
- Energy saving contracting,
- Direct subsidization of measures of an eco-electricity customer.

In the case of direct subsidization, a maximum of 20% of the total investment for each efficient end-use plant should be subsidized. The efficient new appliances/plants must satisfy a very exacting efficiency standard.

In view of frequently changing legal programs and funding opportunities, Energie-Vision e.V. will examine and, where necessary, adjust – in close dialogue with the provider – the framework conditions under which the support contributions can be used for efficiency measures in the Innovation Model.

6.1.2.2 Storage

By means of innovative storage technologies, the very variable availability of electricity from fluctuating renewable energies can be harmonized with electricity demand. Since renewable energy sources can then be used more flexibly, the electricity production of fossil-fuelled power plants can be reduced.

Energievision e.V. shares the view of most experts that storage only becomes necessary on a large scale when the share of renewable energies in the electricity grid is far higher than it currently is. It is nevertheless important today to advance the different storage technologies and bring them to market maturity.

The funds from the support contributions can be used to develop the market and technology maturity of storage technologies that are not included in the negative list (Section 6.1.3).

Suitable measures:

- Subsidization of investment costs to build a grid-connected storage system, which is not profitable to operate.
- Subsidization of operating costs for the ongoing operation of a storage system which fulfils the conditions stated in Section 6.1.2.2 if it cannot generate a sufficient contribution margin.
- Other measures for developing the market and technology maturity of storage technologies.

6.1.2.3 Demand side management

Demand side management is the demand side adaptation of electricity demand, typically in the case of large, commercial and industrial customers. For this purpose, technology is, for example, installed that automatically switches on and off large electricity consumers dependent on the quantity of electricity available on the grid at that time. Large industrial enterprises are already participating in the balancing energy market with corresponding power plants. Based on the optimized adjustment of demand to the available electricity supply, DSM also promotes adaptation to the fluctuating electricity production from renewable energy sources, thereby conserving fossil fuel resources.

Suitable measures:

- Practical implementation of necessary technical measures to equip eco-electricity customers on the demand side in such a way (e.g. with smart meters) that enables a switching off and on.
- The investment can, to a certain extent, also include premiums to the customers if they make their plant available for load control and do not make use of any other sources of revenue (e.g. on the part of the network operators).
- The development of DSM control software.

6.1.2.4 E-mobility measures

Measures in the field of e-mobility have a special environmental benefit if the demand for additional renewable electricity is thereby increased and fossil fuels are displaced. The use of renewable energies is thereby expanded by such measures.

High-quality eco-electricity must be used for e-mobility measures. As a rule, a promotion of e-mobility measures that does not take into account the electricity mix is not allowed.

Suitable measures:

- The expansion of infrastructure for battery charging (charging stations) when the electricity is produced from renewable energy sources.
- The integration of electric vehicles in demand side management. For example, control software can be promoted that is connected to and controls the electricity storage for the electric vehicles. The software allows charging when there is too much renewable electricity in the network. Since the benefit for energy transition in this case comes from the DSM, the use of eco-electricity is not absolutely necessary.

6.1.2.5 Educational measures

Educational measures geared to energy transition should empower actors and strengthen their competences to actively initiate and/or implement energy transition measures themselves.

Suitable measures:

- For private individuals: the funds must be used for measures that go significantly beyond the legal requirements and standard industry measures;
- The training of individuals who, for example, work from home (in a field other than the energy sector) and who are highly committed to energy transition, e.g. entrepreneurs or employees who want to use the energy potential of a company's property in a useful way (to build a PV plant, etc.);
- Promotion of the exchange of experiences among relevant parties, e.g. energy cooperatives;
- Training of municipal councils, supervisory boards, etc.

An average of 10% of an eco-electricity provider's innovation fund may be used each year for educational measures. These measures must be kept separate from PR and marketing measures as well as commercial conferences.

6.1.2.6 New energy production plants with EEG support

The promotion of the construction of new renewable energy generation plants is not a key objective of the Innovation Support Model. In this case eco-electricity providers can use the Initiation Model. Nevertheless, projects for the building of renewable energy generation plants can be approved in individual cases if it can be proven that the amount of EEG support is not sufficient for economic operation of the specific project and generally for this type of power plant. Only power plants and technologies that have a high potential for innovation but which are not yet ready for mass production (e.g. novel solar cells) should be able to benefit from this rule. In the Innovation Support Model, the *ok-power* label does not want to support generation plants subsidized under the German EEG for which economic operation is not possible in individual cases due, for instance, to poor location (e.g. lack of wind or sun).

6.1.2.7 Other measures proposed by the eco-electricity provider

Each eco-electricity provider can request that its own measures and projects (not listed in this catalogue) receive support from its own innovation fund. This brings about a certain degree of flexibility, which enables measures that have not yet been considered to be approved. The use of funding contributions for projects in other countries is also possible in individual cases.

In all cases, a measure proposed by an eco-electricity provider must contain a clear description of the additional environmental benefit that should arise from the proposed measure.

EnergieVision e.V. will discuss the measure proposed in each case and make a decision in a timely manner.

6.1.3 Non-eligible measures ("negative list")

- Storage to increase own consumption,
- Pumped (hydro) storage,
- Power-to-heat systems,
- In general, all measures that are located exclusively in the heat sector and have no connection to the power sector are not eligible. Background: Although there is no doubt about the need for energy transition in the heat sector, EnergieVision e.V. wants to limit the power ok label to the electricity sector. An extension of the *ok-power* label to the heat sector would substantially increase the complexity of certification. Therefore, measures should always be closely related to the eco-electricity product and/or the eco-electricity customer.

7 Annex 2: Terms of label use

7.1 Rules for the communication and public use of the *ok-power* label

7.1.1 References to the eco-electricity models

All eco-electricity models used in the certification process are designed in such a way that they ensure a comparable contribution to energy transition. Against this background, a standard name for the label is set for all products ("*ok-power*"); no distinction is made between the eco-electricity models in use of the label. However, EnergieVision e.V. will refer in its publications (e.g. on the internet) to the differences between the eco-electricity models and publish the category to which each certified product is assigned. The certificate (received by the eco-electricity provider when the application is successful) also documents the type of eco-electricity model.

7.1.2 Product communication of the eco-electricity provider

Eco-electricity products are distinguished from other electricity products most notably through advertising and communication with the customers. In the contractual agreement that allows use of the *ok-power* label, the electricity providers are committed to complying with provisions for correctly informing their customers about the delivered product, ensuring sufficient transparency and preventing unfair competition. In particular the requirements in the judgment of the Munich High Court of 29 July 2001 (AZ 29 U 1534/01) are to be respected. In accordance with this judgment, the electricity providers must avoid giving the impression of physical delivery of eco-electricity (within the terms of separate transmission of eco-electricity into the electricity grid).

Within the scope of certification under the Initiation Model, the initiation effort of the eco-electricity provider is specifically assigned to the certified eco-electricity product. Accordingly, this should be clearly stated in the company's commercial communications. In particular it is not permitted for the impression to arise – also in the case of possible customers of the company's other electricity products – that customers are also making a contribution to the company's recognized initiation effort by purchasing their (non-*ok-power* certified) electricity product.[22] Furthermore, the eco-electricity provider must ensure that other companies or parts of the company do not represent the initiation efforts ascribed to the eco-electricity provider as the effort of these respective companies or parts of companies.[23]

Examples of permissible product advertisements are found in the following table.

Product	Name of	Permissible product advertisements

[22] In the case that special affiliated eco-electricity companies are outsourced, they must be clearly differentiated from the overall company by name in order to ensure that the customer correctly attributes the initiation effort to the respective part of the company.

[23] This applies when, for example, an eco-electricity sales company wants to allow the initiation of an eco-electricity generation company within the overall company to be counted in the context of *ok-power* certification.

description	label	(examples)
Innovation Support Model	*ok-power*	- (*ok-power*) certified eco-electricity - Promotion of an innovation fund for energy transition - Support of innovative energy transition projects - Fulfilment of electricity demand by means of electricity from renewable energies
Initiation Model	*ok-power*	- (*ok-power*) certified eco-electricity - Fulfilment of electricity demand by means of electricity from renewable energies - Support of expansion of eco-electricity production through construction of new eco-electricity plants
Supply Model	*ok-power*	- (*ok-power*) certified eco-electricity - 100% renewable - Fulfilment of electricity demand by means of electricity from renewable energies - Support of expansion of eco-electricity production through use of electricity from new eco-electricity plants

Table 3: Examples of permissible product advertisements

7.1.3 Publication of information by EnergieVision e.V.

EnergieVision e.V. wants to further improve the transparency of information for interested parties and customers of the certified eco-electricity. For this reason, EnergieVision e.V. will publish the following information for eco-electricity products certified under all *ok-power* models on its own website:

- name of the product
- contact data of the provider (name, address, service telephone and fax numbers, website, email)
- eco-electricity model
- quantity of certified electricity, and
- information on the power plants which produce substantial shares of the eco-electricity. The following information will be published as a minimum:
  - name of plant
  - energy source used and plant type (e.g. wind power plant, gas-fired CHP plant)
  - installed capacity (in MW)
  - plant site (the country at least and, in general, also the federal state or region).

The above-mentioned information is published for the following power plants:

- For products certified under the Supply Model, the power plants which produce at least 7.5% of the quantity of electricity sold in each case shall be listed individually. Power plants with a production under this threshold are summarized (e.g. "x small PV plants in Berlin").

For power plants certified under the Initiation Model, the following information shall be published (according to the current status of planning where appropriate):

- name and location of the plant (for confidentiality reasons it is possible in individual cases for this information to be published only after the contract between the relevant parties has been signed);
- energy source used and plant type (e.g. wind power plant, run-of-river power plant);
- installed capacity of the whole power plant;
- annual electricity production of the power plant;
- eco-electricity provider's share of the total initiation efforts in accordance with Section 4;
- (planned) start of operation (month/year); and
- the status of the project; for power plants not yet in operation the status is taken from the milestones given in the project plan; in the case of non-fulfilment a description of and reasons for non-fulfilment will be stated.

Projects that have been approved under the Innovation Support Model shall also be listed on Energievision's website. To this end, the following information is published after the contract has been signed:

- short description of the project including its contribution to energy transition,
- amount of resources used, the financing structure or the funding share under the ISM,
- complete information on the amount of other applicable support funds,
- significant project participants,
- status of the respective projects and date of their completion, and
- where appropriate, other information that is agreed upon in the communication concept of the project proposal.

After the preview (*Vorschau*) of each calendar year has been checked, this information will be published according to the planning stage reached. As far as possible, the planning information will be updated mid-year. It will be indicated on the website that the eco-electricity provider may make short-term changes to the plans. After the review (*Rückschau*) has been checked, the information based on the actual product configurations of the certification year in question is subsequently published for products certified under the Supply Model.

7.2 Sanctions in the case of non-fulfilment of the requirements

7.2.1 General procedure in the case of non-fulfilment of obligations

If an eco-electricity provider has not met the obligations stated in the certification contract, it should contact EnergieVision e.V. without delay. In all cases, cooperation between the respective eco-electricity provider and EnergieVision e.V. is sought with the aim of subsequent fulfillment of the obligations. Only in cases where an agreement is not possible will further action be taken.

7.2.2 Rules in the case of non-fulfilment of obligations under the Innovation Support Model

If funds cannot be used in time within the scope of the Innovation Support Model or there are funds remaining in the innovation fund, the following options apply after case-by-case approval by EnergieVision (these options also apply in the event of termination of the *ok-power* contract by the eco-electricity provider):

- extension of the deadline in justified cases (e.g. in circumstances for which the provider is not responsible),
- transfer of funds to a project of another eco-electricity provider (pooling), and
- switching to certification under the Supply Model.

Non-fulfilment of project goals

It is possible that the project goals are not fulfilled for a number of reasons:

Non-fulfilment by the deadline:

- The eco-electricity provider does not achieve the project goals within the intended time frame.

Non-fulfilment based on the budget:

- The eco-electricity provider cannot realize the project goals within the planned budget.

Non-fulfilment of project goals / project quality:

- The eco-electricity provider deviates from the planned project goals.
- The quality of the implemented projects is below the quality expected and agreed upon.
- The eco-electricity provider discontinues an approved project after using the support contributions.
- The eco-electricity provider cancels the *ok-power* contract before the project is completed.

If the eco-electricity provider deviates from the agreed project goals, it must first of all explain the reasons for these deviations. Based on this justification and a comparison with the most recent status of the project given to EnergieVision by the provider, EnergieVision can then specify additional measures.

7.2.3 Rules in the case of non-fulfilment of initiation requirements

Both the failure to meet the minimum quantitative requirements (minimum initiation quantity and entry threshold) and exceeding the relevant deadlines (according to the terms of Section 4.3) can result in non-fulfilment of the initiation requirements.

If the initiation effort achieved is not sufficient for the portion of the electricity quantity delivered to eco-electricity customers in a year, the eco-electricity provider should supply its customers with electricity produced from power plants that fulfil the requirements specified in Section 5 (Supply Model). This rule can be drawn upon when the relevant deadlines specified in Section 4.3 are exceeded by a maximum of three years.

If the deadlines specified in Section 4.3 are exceeded by up to two years, the requirement according to the previous section applies, i.e. during the period exceeding the deadline, the quantity of initiation effort that is lacking is fulfilled through the use of eco-electricity under the Supply Model. In the third year of non-fulfilment, both requirements apply cumulatively, i.e. the requirements in Section 7.2.3 and all requirements applicable under the Initiation Model (particularly in the transition from the status of a new customer to an existing customer) must be fulfilled.

7.2.4 Rules in the case of non-fulfilment of requirements under the Supply Model

If the requirements pertaining to the age structure of the Guarantees of Origin are not met under the Supply Model, the provider must purchase the lacking Guarantees of Origin and submit proof of this to EnergieVision e.V. without delay. This also applies in the event that a larger eco-electricity amount has been sold than that covered by the corresponding Guarantees of Origin.

8 Annex 3: Transitional rules and grandfather policy

8.1 Grandfather policy rules

Version 8.1 of the criteria only contains clarification against the version 8.0 and replaces version 8.0 without any transitional rules or grandfathering policy.

The requirements of the criteria in Version 8 apply for previously certified eco-electricity providers from re-certification in 2017 onwards. Until then, Version 7.4 continues to apply (grandfather clause). For these providers, compliance with the minimum criteria is therefore checked for the first time as part of the 2017 preview. An exception is the electricity quantities that were sold to customers per contract before 8 July 2015.

For new applications (first-time certification), the criteria of Version 8.1 apply with immediate effect.

<table>
<tr><th>Contract signed</th><th>Certification year</th><th colspan="2">Criteria to be used</th></tr>
<tr><td rowspan="4">On or before 8 July 2015 (publication of criteria)</td><td>2015</td><td colspan="2">7.4</td></tr>
<tr><td>2016</td><td colspan="2">7.4 (without minimum criteria)</td></tr>
<tr><td>2017</td><td>8.1</td><td>Except for quantities already sold per contract to customers by 8 July 2015:
7.4 (without minimum criteria)</td></tr>
<tr><td>2018</td><td colspan="2">8.1</td></tr>
<tr><td rowspan="3">After 8 July 2015 (publication of criteria)</td><td>2015</td><td colspan="2">7.4</td></tr>
<tr><td>2016</td><td colspan="2">8.1</td></tr>
<tr><td>2017</td><td colspan="2">8.1</td></tr>
</table>

8.2 Transitioning between models and hybrid forms

Rules for transitioning between models and for hybrid forms of the models are being examined and will be elaborated at a later date.