



An Coimisiún
um Rialáil Fónais
**Commission for
Regulation of Utilities**

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Non-binding Guidance to Electricity Suppliers on implementation aspects of Interim Clean Export Guarantee

Guidance Notes

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CRU Mission Statement

The CRU's mission is to protect the public interest in Water, Energy and Energy Safety.

The CRU is guided by four strategic priorities that sit alongside the core activities we undertake to deliver on the public interest. These are:

- Deliver sustainable low-carbon solutions with well-regulated markets and networks
- Ensure compliance and accountability through best regulatory practice
- Develop effective communications to support customers and the regulatory process
- Foster and maintain a high-performance culture and organisation to achieve our vision

Public/Customer Impact Statement

The implementation of the measures set out in the CRU'S Decision Paper *Interim Clean Export Guarantee*¹ will ensure that electricity customers who generate renewable electricity to meet their own demand, but who are exporting some excess electricity onto the grid, are receiving fair remuneration for their exported electricity.

While the CRU has provided electricity providers with some flexibility regarding the export tariffing arrangements they put in place, these non-binding guidance notes set out the CRU's expectations to suppliers in key areas in order to:

- ensure the delivery, by suppliers, of fair remuneration based on export-tariffs which are in the interests of consumers; and
- enhance the level of consistency in the engagements between suppliers and electricity customers who are entitled to remuneration for their exported electricity.

This guidance document should be read in conjunction with the CRU's *Interim Clean Export Guarantee* Decision Paper ([CRU21131](#)).

¹ <https://www.cru.ie/wp-content/uploads/2021/12/CRU21131-Interim-Clean-Export-Guarantee-Decision-Paper.pdf>

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Glossary of Terms and Abbreviations

Abbreviation	Definition or Meaning
DAM	Day Ahead Market
CEG	Clean Export Guarantee
ESBN	ESB Networks
NSMP	National Smart Metering Programme
REDII	Renewable Energy Directive [(EU) 2018/2001]

Terms	Definition or Meaning
Microgeneration	In the context of this Guidance Note, and consistent with the Interim CEG decision (CRU21131), the term “microgeneration” is used for convenience to convey all of the ranges of generation capacity falling within the scope of “micro-, mini- and small-scale generation” and of any other range of generation which falls within the scope and meaning of “renewables self-consumer”.
NC6	Consistent with CRU21131, references to “NC6” should also be interpreted to mean the equivalent form or process which applies to the connection of mini- and small-scale generation to the distribution network.
Renewables self-consumer	Renewables self-consumer has the meaning as defined in Box 1 of the Interim CEG Decision (CRU21131), as derives from REDII.

Terms

1. Introduction

1.1 Background

These non-binding guidance notes are to assist suppliers in implementation of the Interim Clean Export Guarantee (CEG) for an interim transition period until binding rules and codes are introduced as part of the enduring arrangements.

Due to the interim nature of the framework for the Interim Clean Export Guarantee, the Electricity and Gas Suppliers' Handbook has not been amended at this stage, as this is a deliverable of the enduring solution for CEG. In the absence of specific amendments to the Suppliers' Handbook to cater for the exporting of electricity by renewables self-consumers and other associated regulatory documents such as the Billing Code of Practice, the CRU expects that suppliers will be guided not only by the overarching principles of the existing handbook, but also by the CRU's additional guidance contained in this document.

These guidance notes have been developed by the CRU following bi-lateral engagements with a number of suppliers, during which several suppliers welcomed guidance, and also, based on feedback received from the Industry Governance Group.

In the CRU's Interim Clean Export Guarantee Decision², the CRU set out requirements for CEG export-tariff offerings in some key areas. However, the CRU also determined that suppliers should retain some flexibility to develop differentiated and innovative export tariff offers in the context of a competitive supply market. Nevertheless, the CRU - partly in response to requests from suppliers - identifies a need to set expectations regarding CEG export-tariff offers in several areas. This is intended to ensure that suppliers deliver CEG export-tariffs which are in the interests of consumers and to enhance the level of consistency in the tariff offerings available.

Note that the non-binding guidance notes in this document are of a different nature to other binding CRU guidance documents, such as those related to safety cases.

1.2 Scope of CEG and CRU's vires

The guidance notes in this information paper set out the CRU's expectations for how suppliers will implement the CEG in certain areas of the arrangements in which suppliers are being given flexibility to choose their own approach. This is to ensure that suppliers understand the expectations of the CRU and to encourage a certain level of consistency between suppliers where appropriate.

² CRU Decision Paper on the Interim Clean Export Guarantee ([CRU21131](#))

This non-binding guidance document complements existing documentation relevant to suppliers including the recent Interim CEG Decision Paper and the Suppliers' Handbook.³ As highlighted in the Decision Paper, the CRU requires that suppliers, and their representatives, comply with the overarching principles outlined under Section A of the existing handbook:

Principles

- **Fair, honest, transparent, reasonable, equitable and professional behaviour.** Suppliers, and their representatives make every effort to treat energy customers in a fair, honest, transparent appropriate, reasonable, equitable and professional manner.
- **Consistency of terminology.** Suppliers strive to ensure consistency, accuracy, clarity and transparency of information across all means of written and oral communications with customers. This includes but is not limited to definitions, terms, words used in bills, statements, terms and conditions of supply, schedule of tariffs and charges, marketing and advertising material.
- **Internal systems, processes and procedures conducive to compliance with legislative and regulatory requirements.** Suppliers' internal systems (such as IT systems, accounting systems), policies (such as credit control, staff training), processes and procedures:
 - Enable compliance with legislative and regulatory requirements and market design rules
 - Facilitate and support the switching process
- **Supplier's nominated representative.** When representing customers, energy suppliers and their representatives
 - Treat customers fairly, honestly and transparently
 - Act in the best interest of the customer
 - Do not exploit the customer's vulnerability, confidence or inexperience

noting that:

"The CRU regards the application of these principles as being appropriate where the obligations of the Suppliers' Handbook are not sufficient to address a specific situation / aspect of the customer-supplier relationship."

"These principles [i.e. as set out in the Supplier Handbook] do not relate specifically to any Code of Practice but rather have a general application to all facets of the customer-supplier relationship."

³ Electricity and Gas Suppliers' Handbook, Version 3.1 – September 2021 ([CRU21111a](#)) and as may be amended.

2. Eligibility for remuneration via CEG

The CRU expects suppliers to communicate clearly with their customers all information around eligibility so as to enable them to understand whether they are currently eligible for deemed or metered payments, and whether they need to take any action in order to receive payment or credit for export. For example, if a customer with installed microgeneration contacts their supplier regarding the CEG tariff and the supplier finds that the supplier’s records indicate that there is no Meter Export Capacity (MEC) associated with that customer’s Meter Point Reference Number (MPRN), then the supplier should direct the customer to inform ESNB of their installed microgeneration by using the NC6 form (or equivalent form, as appropriate) in the first instance.

The eligibility criteria, as set out in the Interim CEG Decision Paper, are repeated in the table below. The CRU expects suppliers to outline these criteria in communications with the customer, supported by definitions and descriptions that help the customer to understand whether they meet each criterion.

Criteria for metered export arrangements	Criteria for deemed export arrangements
<ul style="list-style-type: none"> • The renewables self-consumer must meet the definition included in REDII.⁴ • The renewables self-consumer must be exporting electricity to the network based on data transmitted to ESNB. • The renewables-self consumer must have installed microgeneration⁵ and must have informed ESNB of their intention to install microgeneration via a declaration using the NC6 or equivalent form. • They must have a smart meter installed to meter their exported electricity. 	<ul style="list-style-type: none"> • The renewables self-consumer must meet the definition included in REDII. • The renewables self-consumer must have installed microgeneration and must have informed ESNB of their intention to install microgeneration via a declaration using the NC6 or equivalent form. • The customer must not be eligible for a smart meter installation as part of the ESNB-led deployment approach under the NSMP at this time or they are eligible for a smart meter installation but unable to have a smart meter installed for other reasons outside of their control.

⁴ European Commission (2018), Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the user of energy from renewable sources (recast). <https://eur-lex.europa.eu/eli/dir/2018/2001/2018-12-21>

⁵ References to “microgeneration” has the same meaning in this Guidance Note as in the Decision Paper CRU21131.

Under these criteria, eligibility for deemed or metered payments depends heavily on whether the customer is eligible for a smart meter installation as part of the ESB Networks-led deployment approach⁶ under the NSMP. The CRU expects suppliers to communicate clearly to customers whether they are currently eligible for a smart meter or as to when they will become eligible and suppliers are expected to liaise with ESNB to understand any additional detail required in order to present customers with the required information.

2.1. Providing information and managing disputes

Suppliers must provide consistent, accurate, clear and transparent information to customers about their CEG tariff offering. The CRU expects suppliers to:

- publish their export tariff/tariffs on their website;
- contact their customers who are eligible for either metered-export arrangements or deemed quantity arrangements at the earliest opportunity. This initial communication should inform exporting customers whether they are eligible for payments under the CEG, whether they are considered to be eligible for metered export or deemed quantity arrangements, and the terms of agreement, including the export tariff, offered by the supplier for export payments;
- provide information to any of their customers⁷ who contact them in order to understand eligibility for CEG payments. The information should clarify whether they are eligible for metered export or deemed quantity payments. In the event that ESNB has not already made, such information available to suppliers in advance, this may require the supplier to engage directly with ESNB on behalf of the customer in order to check for eligibility of the relevant MPRN;
- manage any disputes with customers about their eligibility through engagement with the customer;
- provide the customer with the information required to remedy any potential for incorrect eligibility allocation in situations where customers believe that they should be eligible for payment under the CEG or where customers believe that they have incorrectly been identified as eligible or ineligible for metered export arrangements;
- apply the generality of the code in the Suppliers' Handbook which applies to complaint handling; and
- inform customers that the CRU has a complaint resolution function and how the CRU's Customer Care Team can be contacted in cases where the customer wishes to escalate their complaint.

⁶ There are two deployment approaches in operation; 1) the ESNB "Networks-led approach" whereby ESNB deploy to 'eligible' customers; and 2) a "customer-led approach" whereby customers can request a smart meter installation.

⁷ Customers should provide – as reference - their MPRN to the supplier.

2.2. Formal agreements with customers

The CRU has not set explicit requirements for suppliers regarding the contractual arrangements which they need to have in place with customers. Instead, the CRU expects all suppliers to make their own assurances that they are complying with any legal requirements which act upon them.

The arrangements which suppliers put in place with the customer for export payments under the CEG should not impact upon any existing arrangements for import in place between the supplier and the customer for the supply of electricity: – e.g. contract end-dates, terms and conditions, etc.

Any changes to the existing arrangements in place between the supplier and the customer for the supply of electricity will be subject to the existing requirements as set out in the Suppliers' Handbook.

3. Remuneration under the CEG

3.1. Commencement of payments

Under the CRU's decision on Interim CEG, ESNB will collate data on export quantities of microgenerators from Day 1 of the Interim CEG arrangements – Day 1 referring to the first day on which the requirement for payment for export enters into Irish law. The settlement positions of suppliers will therefore reflect the export volumes from their customers (whether metered or deemed) as applied from Day 1.

However, the CRU recognises that suppliers require time to develop the necessary systems and processes needed to make payments to customers and that ESNB will not have the systems in place for suppliers to access the relevant export data for their customers until the end of Q2 2022, with suppliers providing an initial credit or payment to renewables self-consumers shortly thereafter.

Within reason, suppliers will have the flexibility to determine what timeline is practicable for execution of the first payment, given their systems requirements. However, the CRU expects all suppliers to put in place measures to make the first payment to customers at the earliest opportunity and anticipates that all suppliers will have made the first payment by 31 August 2022 at the latest⁸. The CRU expects all suppliers to communicate clearly to customers regarding expected timing of the first payment.

Given that suppliers will be settled based on exported electricity volumes from Day 1 in relation to the wholesale market, the CRU expects all suppliers to ensure that back-payments or back-credits are made to all customers for electricity exported from Day 1, or the point after Day 1 at which the customer has microgeneration installed and registered with ESNB. This back-payment or back-credit should be processed as soon as possible after the date at which the supplier has put in place the systems required to process export payments.

Suppliers have the flexibility to determine the most appropriate process for making back-payments. The supplier may offer back-payments in the form of a credit to the customer's account if this approach is deemed most appropriate. The CRU expects all back-payments to be based on metered export volumes wherever available. For those customers who are eligible for deemed export arrangements, ESNB will provide the deemed export quantity instead of the metered export quantity. The CRU also expects suppliers to clearly communicate back-payment amounts, including the historic export data on which the back-payment is calculated.

3.2. Frequency of payments

The CRU has not set a mandatory frequency for ongoing payments. Suppliers will have the flexibility to determine what is practicable based on their systems and existing processes.

⁸ This date allows for one 2-month billing cycle after data is made available to suppliers by ESNB. CRU expects that export data will be available at the end of Q2 2022, at the latest.

The CRU expects that payment frequencies will be aligned with existing bills/statements issued for the customer's imported electricity unless the supplier has good reason to specify a different payment frequency. In the majority of cases, this would typically mean statements and payments occurring every two months.

If there are situations in which a supplier does not consider it practicable to issue CEG payments or credits at the same frequency as existing energy bills and energy statements for imported electricity, the rationale should be set out clearly to customers in advance.

The CRU expects all suppliers to communicate the expected frequency of payments to customers at the earliest opportunity.

3.3. Setting a fair tariff

The CRU decided to allow for a competitive approach to the CEG tariff with a floor price of zero €/kWh. These arrangements will provide suppliers with flexibility to introduce dynamic pricing to incentivise efficient microgeneration and consumption decisions which consumers can benefit from (e.g., by exporting more energy during high demand periods when prices may be higher than average).

The CRU expects suppliers to set a CEG export-tariff which reflects a fair market rate and intends to review the CEG arrangements 12 months after its introduction. Engagement between the CRU and suppliers has supported the CRU's expectation that CEG export-tariffs will reflect a fair market rate. However, the CRU may consider setting a non-zero floor on the CEG export-tariff if the review identifies evidence which shows that suppliers are not providing fair remuneration to customers.

The CRU will develop its methodology for assessing whether CEG export-tariffs are broadly consistent with a 'market value' ahead of the one-year review of the arrangements. The CRU will draw on information which may include: the range of CEG export-tariffs available in the market; the day-ahead wholesale market prices; the relationship between solar generation output and day ahead wholesale market prices, as well as wider market and environmental factors and meteorological conditions when carrying out this review.

3.4. Moving from deemed to metered

The CRU will allow each supplier to individually determine their internal processes for switching a customer from deemed export quantities to metered export quantities. This is because the Interim CEG will be implemented outside of the central market systems used by suppliers, ESNB and SEMO, so stakeholders may require additional flexibility during the interim period. However, the CRU expects that suppliers will initiate the switch from deemed to metered data from the point at which they start to receive metered data from ESNB.

3.5. Suppliers' statement of remuneration

The CRU has decided not to mandate a specific format for the statements of remuneration, nor for how frequently these statements should be issued. Nonetheless, the CRU sets out below its expectations regarding key pieces of information to be included on supplier statements.

As a minimum, the CRU expects to see the following information included on all export remuneration statements. The CRU expects suppliers to set out all information clearly with explanations of key definitions provided to customers.

- The relevant statement period including the start and end dates related to the payment.
- Any back-payments due to the customer and the date of first export under the CEG to which these back-payments are dated.
- Whether the customer is being paid based on deemed and/or metered export quantities during the relevant statement period.
- If the customer is eligible for metered export payments in the relevant statement period, then payments for metered exports for the relevant statement period, broken down into:
 - o Metered export volume (kWh).
 - o Tariff (€/kWh).
 - o The start and end dates of the relevant statement period.
- If the customer is eligible for deemed export arrangements in the relevant statement period, then: Payments for deemed exports for the relevant statement period, broken down into:
 - o Deemed quantity (kWh) and details of the deemed quantity calculation, as provided by ESNB to the supplier.
 - o Tariff (€/kWh).
 - o The start and end dates of the relevant statement period.
- If the customer is eligible for both metered and deemed export payments in the relevant statement period, both sets of information should be provided. Sub-totals of the payments under the metered export volume and deemed quantity arrangements should be provided, as well as a total customer payment.
- The form of the payment: e.g. whether it is to be paid directly to the customer or in the form of a credit on the bill.

Suppliers may include additional information where they consider this information necessary for the customer to understand their export payment and the CEG arrangements. However, the CRU expects all supplier communications to be clear and succinct such that customer understanding is supported.

The CRU expects suppliers to present export information to customers in a similar format as that used for their existing energy bills and energy statements for imported electricity.

4. Other considerations

4.1. Switching to a new supplier

The CRU expects that microgeneration customers will be provided with the same switching experience as customers without microgeneration. As such, suppliers should take steps to ensure that their CEG tariffs and internal processes will be conducive to this. In particular, the CRU expects suppliers to align the terms of the new CEG export-tariffs with the existing import tariff contract, so that they conclude at the same time.

4.2. Review of arrangements for CEG

As set out in the Decision Paper, the CRU will carry out a review after twelve months of operation of the CEG.

The CRU expects suppliers to be cooperative in sharing data and information, on request, to assist this review. Such information will be useful in ensuring the CRU is well informed of the situation and any adjustments to the CEG that might be appropriate. The CRU understands confidentiality restrictions which may apply to some of this data and does not expect suppliers to breach any confidentiality provisions. However, the CRU does expect suppliers to identify ways in which such data could be provided, for example providing anonymised and/or aggregated data where possible.

4.3. Data sharing with consumers

The requirements set out under Section 9.4 of the Supplier's Handbook with regards to the provision of information to customers are not applicable to the provision of export data as part of the interim Clean Export Guarantee. They will only come into force as part of the enduring solution for the Clean Export Guarantee. However, if a customer requests access to their metered export data then the CRU expects that ESNB and Suppliers will facilitate such requests and ensure that they meet their own legal obligations with regards to data provision.