

## Press release [Prague, February 7, 2025]

OTE, a.s.

Sokolovská 192/79, 186 00 Praha 8 Karlín

Media contact / Zuzana Váchalová, zvachalova@ote-cr.cz

Interest in proving the origin of delivered energy has grown in 2024, market operator statistics show

In 2024, the number of applied guarantees of origin (GOs) increased significantly to 6,511,811 units, which exceeded the previous year by 32%, according to the just published statistics of the market operator. This number corresponds to 6,511,811 MWh of supplied energy. Cross-border transfers of guarantees of origin also increased: incoming by 44%, outgoing by 98%.

Guarantees of origin serve to prove the origin of the energy produced and delivered to the end customer and allow, among other things, to assess and prove the degree of impact of companies or citizens on the environment, not only in connection with the principles of sustainable business (ESG). In the Czech Republic, guarantees of origin are issued and registered in the Registry of Guarantees of Origin (EZP), which is operated by the market operator. At the same time, for selected guarantees of origin, their electronic transfer to and from abroad is possible, thanks to the market operator's active involvement in international cooperation with the *Association of Issuing Bodies* (AIB). In this sense, we can remind the expansion of activities in the field of international cooperation, when the market operator became the 5th member of the Gas Scheme Group in May 2024 and made the possibility of international transfers of biomethane guarantees of origin available to traders via AIB.

Guarantees of origin can be issued for electricity, biomethane, heat and hydrogen. The growing interest in working with individual Guarantees of Origin is illustrated by the following summary based on the data recorded in the EZP.

- <u>Electricity</u>: Guarantees of origin for electricity from nuclear energy saw an increase in issuance by almost 300%. Guarantees of origin issued for electricity produced mainly from subsidized renewable sources (RES) saw a significant decrease (solar power plants by 83%, wind power plants by 85%), which was mainly due to the administrative setting of fixed prices for guarantees origin of electricity produced in plants with investment or operational support, that turned to be above the price level of the market. The decrease in the number of guarantees of origin issued for electricity produced from RES in the Czech Republic was replaced by guarantees of origin issued from the nuclear energy, and by the import of guarantees of origin from abroad.
- <u>Biomethane:</u> During 2024, the first guarantees of origin of biomethane from production plants registered in the Czech Republic were issued. A total of 57,956 biomethane guarantees of origin were issued in 2024.
- <u>Heat:</u> All guarantees of origin were issued for heat from RES, except for one guarantee that was issued for heat from nuclear. The number of issued guarantees decreased by 44%, while the number of cancellations and the number of domestic transfers increased several times (there are no international transfers).
- Hydrogen: There were no transactions of guarantees of origin in 2024.

"It is not only based on statistical results that we can state that the system of guarantees of origin works both in the domestic context and at the European level. At the same time, it is evident that the guarantees of origin have the potential to develop further. The importance of guarantees of origin of nuclear energy has grown, shifts are taking place within the biomethane GOs, liquidity on the market for guarantees of origin has increased. The changes included in the amendment to the Energy Act, the so-called lex OZE III, shall also contribute to further

evolution. In this context, we can emphasize e.g. the expected determination of the prices of guarantees of origin from supported production devices through the market, via an auction mechanism - in contrast to the fixed prices as determined today." says Michal Puchel, chairman of the board of OTE, a.s.

Detailed statistics for 2024 are shown in the table below. Further information regarding guarantees of origin can be found on the <u>market operator's website</u>.

Item	Electricity	Biomethane	Heat	Hydrogen	TOTAL	Change compared to 2023
Number of GOs from incoming international transfers	5 211 794	0	0	0	5 211 794	44%
Number of GOs from outgoing international transfers	7 158 038	4 640	0	0	7 162 678	98%
Number of cancelled GOs	6 447 636	24 330	39 845	0	6 511 811	32%
Number of expired GOs on request	315	0	0	0	315	8%
Number of expired GOs (after validity)	132 129	616	90	0	132 835	
Number of GOs issued	5 821 179	57 956	16 756	0	5 895 891	-24%
Number of GOs transferred in domestic transfers	2 969 344	66 966	40 067	0	3 076 377	-56%

-----

OTE, a.s.

OTE, a.s., holds a license for market operator activities, which includes the electricity and gas market in the Czech Republic. A Nominated Electricity Market Organizer (NEMO) is established by the Energy Regulatory Office, which ensures a unified connection of the day and intraday markets. It acts as the National Administrator of the Permit Trading Register.

As a market operator and nominated organizer of the electricity market, OTE ensures, among other things, the organization of trading on the daily, intraday electricity market and the intraday gas market in the Czech Republic, and in this activity participates in the organization of the unified EU electricity market. It performs accounting and financial settlement of imbalances between the contractual and actual values of electricity and gas supplies and withdrawals and ensures the administrative change of the supplier of both commodities. It also provides the participants of the electricity and gas market in the Czech Republic with continuous processing and exchange of data and documents for their activities on the electricity market and the gas market, and reports business data from short-term OTE markets to the database of the Agency for the Cooperation of Energy Authorities (ACER).

In the name of the Czech Republic and on its account, it supplies settlement entities or takes gas from them when receiving or providing international aid in the gas industry. It administers and pays out compensation payments according to the Act on Measures for the Czech Republic's Transition to Low-Carbon Energy.

It is responsible for the administration of the system for the payment of support for supported energy sources. It issues and registers guarantees of the origin of energy and keeps records of the implementation of the use of renewable resources in transport. It ensures many other activities contributing to the development of the energy sector in the Czech Republic and Europe.