

EnergyTag



Response to Call for Evidence on Data Centers

15th April 2026



Response to the European Commission Public Consultation

Current text	Proposed amendment	Justification
Proposed Amendment 1 — Remove Granular GO Conditionality		
<p>Annex III — ERES-GOO, Annex II point 1(p) <i>“...shall be related to the 15-minute production periods that coincide with the data centre consumption periods and to production located in the same bidding zone as the data centre, conditional to the availability of such granular guarantees of origin in the relevant Member State.”</i></p>	<p><i>“...shall be related to the 15-minute production periods that coincide with the data centre consumption periods and to production located in the same bidding zone as the data centre, conditional to the availability of such granular guarantees of origin in the relevant Member State. Where granular guarantees of origin are not yet available in the relevant Member State, compliance shall be demonstrated using metered generation data and monthly guarantees of origin matched to the relevant consumption periods.”</i></p>	<ul style="list-style-type: none"> • EU regulations like RFNBO delegated act and CBAM require hourly matching without any Granular GO contingency. The data already exists to verify 15-minute matching, as this is the basis of power market settlement. Monthly or annual granularity provides no reward for flexibility, storage, or dispatchable clean energy generation. Various off the shelf products exist to enable real-time matching. Google certified hourly energy certificates for 10.5 TWh of generation at over 100 sites based on existing GO systems. Granular GOs are the gold standard but conditioning matching on their availability could slow their rollout.
Proposed Amendment 2 — Align ERES-PPA Criteria with ERES-GOO Granularity Criteria		
<p>Annex III — ERES-PPA, Annex II point 1(q) <i>“Total renewable energy consumption from power purchase agreements (‘ERES-PPA’, in kWh) shall be determined as the amount of energy from Power Purchasing Agreements made by the reporting data centre.”</i></p>	<p>Append to the definition: “Qualifying volumes shall be related to the 15-minute production periods that coincide with the data centre consumption periods and to production located in the same bidding zone as the data centre. Volumes shall be purchased from assets, commissioned not more than 10 years prior to the reporting year. Long-term PPAs that are in place by 15 May 2026 are exempted from the requirement of this subparagraph, the exemption applying until the end or renewal date of the contract.”</p>	<ul style="list-style-type: none"> • Without sourcing criteria, a PPA is just a power contract. It may have significant benefits for renewable growth, it may not. • IEA (2025) shows us solar-only 100% annually matched PPAs cover only 35–45% of hourly demand • This approach is backed by peer-reviewed evidence demonstrating decarbonization and system benefits, while an annual matching one is not. • Over 80% of European PPAs in 2025 were already physical and local and so naturally aligned with this proposal. • Hourly matching incentivises storage and hybrid PPAs, reducing fossil gas reliance at peak hours and incentivising structures needed to bolster PPA market. This ensures greater harmonisation with GO rules. • Aligns with emerging regulatory trends in the US for hourly matching for AI.
Proposed Amendment 3 — Replace the Grid Functions Flag with a Flexibility Metric		
<p>Annex III — Grid functions, Annex II point 1(f); <i>“Electrical grid functions is the information on whether any functions that support the stability, reliability, and resilience of the electrical grid are provided by the data centre, such as peak demand shifting, flexibility, or firm frequency response (FFR).”</i></p>	<p><i>“Electrical grid functions is the information on whether any functions that support the stability, reliability, and resilience of the electrical grid are provided by the data centre, such as peak demand shifting, flexibility, or firm frequency response (FFR). the data centre avoids adding to net peak grid demand during the 100 hours of highest system load in the reporting year.”</i></p>	<ul style="list-style-type: none"> • IEA shows avoiding the top 100 peak hours materially reduces grid infrastructure pressure. A binary flag with no quantified definition rewards a trivial action identically to a substantive one. A combination of onsite storage and demand management can be leveraged to gain recognition. Precedent: Google has contracted 1 GW of demand response in the US and Microsoft has also demonstrated onsite battery storage to replace diesel in Sweden.

Proposed Amendment 1 — Remove Granular GO Conditionality

Why this Proposed Amendment

- The draft makes progress by requiring GOs to be matched on a 15-minute basis within the same bidding zone, from assets no more than 10 years old.
- Making the hourly matching requirement conditional on granular GO availability disincentivizes the roll out of better infrastructure.
- A European Commission analysis of 748 EU data centres found 70% already claim 100% renewable energy — overwhelmingly via annually matched GOs with no link to actual consumption.
- The [IEA's 2025 Energy and AI report](#) confirms annual solar-only PPAs cover only 35–45% of hourly demand. Annual matching does not reduce real gas reliance at peaks; it obscures it and removes any clean flexibility signals.
- EnergyTag, Eurelectric, Smart-en and Energy Storage Europe and others have [jointly called for rapid granular GO rollout](#). Granular GOs issued by national registries are the gold standard, but these are not necessary for companies to substantiate granular matching. Moreover, conditioning the granular matching requirement on the availability of registry-issued granular GOs creates an incentive for stakeholders to delay their introduction.

How it's Feasible

- EU electricity markets already settle on a 15-minute basis — the underlying metered generation data exists by design across every bidding zone. No new infrastructure is required to verify temporal matching.
- [Baringa and Granular Energy \(2026\)](#) found that over 50 global suppliers already offer hourly matching tariffs across all major European markets. ~~Off-the-shelf products~~ are available today to make this easy for data centre providers.
- Google, working with Flexidao, [converted much of its clean energy portfolio into](#) hourly certificates using meter data from assets and the existing GO system — retiring granular certificates for over 100 sites representing 10.5 TWh across 7 countries. This uses Configuration 3 of the [EnergyTag Open-source Granular Certificate Standard](#). It works today, using monthly GOs and hourly data.
- Other data centre operators [such as Digital Realty in Greece](#) have also demonstrated hourly matching is already possible today without the need for Granular GOs.

Proposed Amendment 2 - Align ERES-PPA Criteria with ERES-GOO

Why this Proposed Amendment

- Without sourcing criteria, a PPA is just a power contract. Under current rules, a Solar PPA signed with a 20 year old asset in Spain could be used to “power” a data centre in Ireland. This would receive the same credit as PPA in Ireland with a new wind farm delivering real power to the data centre. This creates a credibility issue.
 - The [Draghi report](#) and [EU Action Plan for Affordable Energy](#) both identify storage and demand flexibility as central to reducing gas dependence. A label that rewards annual PPA matching sends the opposite signal.
 - The European PPA market is in decline. The rapid decline of the capture factor of solar power [is a key contributor](#). A lack of storage and flexibility to deliver firmer PPA profiles is becoming an increasing issue. This makes incentives for hybrid PPAs, combining renewables and storage absolutely critical.
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The [IEA](#) demonstrates that a solar PPA signed to match 100% of annual consumption covers only 35–45% of actual hourly demand. A data centre can report full renewable coverage while drawing gas-fired power during peak hours.

Hourly matching is the mechanism that creates commercial incentives for storage and hybrid PPAs, which can shield industry from fossil fuel volatility. The [Eurelectric/Pexapark 24/7 hedging analysis](#) found that a 10 MW baseload consumer in Germany achieving 90% hourly matching could have saved €10 million in 2022 alone. Storage currently makes up only 1–2% of contracted European PPA volumes.

A PPA approach based on hourly, local and incrementality is backed by evidence. The most systemic [peer-reviewed scientific analysis](#) of the effectiveness of clean energy accounting, from researchers at the Denmark Technical University, analyzed eight techno-economic modelling studies from various global regions (from institutions including MIT, Princeton, TU Berlin, Tsinghua University..) concluded that: “...[annual volumetric and emissions matching do not lead to significant emission reductions]...[we find that hourly matching (with PPAs involving local and new RE generators) leads to significant reductions in system emissions.]”

How this is feasible

- Like all hourly and local matching accounting, this is not a requirement for 100% hourly matching, it is simply a way to increase levels of real matching.
 - [IEA modelling has shown that](#) “Hybrid wind, solar PV and battery portfolios can meet 80% of baseload demand at an average cost competitive with industry retail prices” in Europe today. Competitive renewable portfolios are possible, but they remain rare in Europe, highlighting the need for the right incentives.
 - Over [80% of European PPAs in 2025](#) were already physically and locally deliverable to PPA buyers. The amendment aligns with that.
 - The proposed amendment grandfathers long-term PPAs in place by 15 May 2026 until their end or renewal date, protecting existing investments.
 - Suppliers like [Engie](#) have advanced offers and commitments to deliver hybrid PPAs to customers.. The [Egypt Aluminium / Scatec deal](#) — 1.1 GW solar + BESS — was a single hybrid deal that exceeded all other EMEA hybrid PPA volumes combined. The structures exist; rules need to reward them.
 - The EU’s own [RENBO Delegated Act](#) and [Carbon Border Adjustment Mechanism](#) already require PPAs to be physically deliverable and hourly matched for clean energy consumption claims. The data centre label should not be weaker than rules already in force elsewhere in EU policy.
 - Regulatory momentum for hourly, local, incremental matching is building globally, not just in Europe. In the US, Colorado's [SB 26-102](#) would require data centres to achieve 100% hourly matched clean energy by 2031. Illinois' [HB 5607](#) mandates 100% hourly matching by 2035 with a ramp from 20% in 2030, including in-state deliverability thresholds. At the federal level, the [Clean Cloud Act](#) introduced in the US Senate would impose emissions standards on AI and data centre facilities, with penalties tied to fossil reliance during unmatched hours.
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Proposed Amendment 3 — Replace the Grid Functions Flag with a Flexibility Metric

Why this Proposed Amendment

- Data centres tend to consume flat baseload power at the hours of highest grid stress — precisely when fossil gas most determines the marginal price. A binary yes/no flag that equates any trivial grid action with a substantive demand response programme produces no signal and no incentive.
- [IEA analysis](#) shows that if data centres avoid adding to peak demand in the top 100 hours of the year, the effect on grid infrastructure requirements and fossil gas exposure is material — meaningfully increasing the ability of European grids in increasing new data centre load.
- The [EU Action Plan for Affordable Energy](#) identifies demand-side flexibility as a key mechanism for reducing fossil gas dependence and stabilising electricity prices. A label indicator with no minimum threshold cannot serve this objective.
- On-site batteries connect all three objectives simultaneously: grid resilience, demand response at peak hours, and improved hourly renewable matching. A label that cannot distinguish a flexible from an inflexible data centre leaves this lever unused.

How this is feasible

- A combination of on-site storage and demand management — deferring non-time-sensitive workloads such as model training and batch processing — can meaningfully contribute to demand flexibility without compromising service levels. Data centres already throttle computers for thermal and power budget reasons; scheduling against grid peaks is a small additional step.
 - In March 2026, [Google announced it had contracted 1 GW of demand response](#) shifting workloads during critical grid hours; they have also concluded a [20-year, 1 GW deal with DTE Energy in Michigan](#), financing 1,600 MW of new renewables and 480 MW of battery storage directly linked to data centre demand. Google also [scheduled](#) daily power reductions during the 2022 energy crisis. The model - contractual commitments to grid-friendly operation - is becoming operational.
 - The [Microsoft Stackbo facility in Sweden](#) (Saft/TotalEnergies, 16 MWh BESS, operational June 2023) demonstrated that 80 minutes of battery autonomy was sufficient to cover the full risk of grid outages on the Swedish network, eliminating diesel generators entirely.
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