

Eurelectric: Hourly matching is gaining traction while more suppliers and buyers are needed to reach mainstream

24/7 carbon-free energy matching is the deep decarbonisation option for corporates procuring energy - and the world is starting to realise.

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EINPresswire.com/ -- Since 2015 corporates have increased their clean energy procurement tenfold, reaching a record 46 GW in 2023. Companies claiming to be 100% powered by renewable energy worldwide have generated 445 TWh of renewable electricity demand – enough to power France.



These annual pledges, however, do not consider the mismatch between renewable generation and a company's actual energy use, nor the nature of the local electricity grid delivering power to consumers.

To better align energy purchases with actual carbon-free energy consumption, the upcoming revision of the [Greenhouse Gas Protocol](#) (GHGP) is likely to introduce a more granular reporting approach for scope 2 emissions.

This could include hourly matching – also called 24/7 carbon free energy (CFE) – as a new reporting approach where a given volume of electricity demand is matched with an equivalent volume of carbon-free energy generated and injected at the same time. The Protocol also serves as a key reference in calculating Scope 2 emissions for the EU Corporate Sustainability Reporting Directive (CSRD), which entered into force last year.

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*Marianne Karu - Eurelectric's
Business and Communication
Director*

Eurelectric.

Hourly matching also creates demand for renewable and storage investments and ultimately decarbonises power infrastructure. Such demand-side strategies could cut 40% to 70% of global emissions by 2050.

In Europe hourly matching has evolved from being a mere niche with new buyers testing this procurement strategy - shows a [new study](#) conducted by EY on behalf of Eurelectric and based on qualitative interviews with energy suppliers and buyers.

Beyond big tech frontrunners such as Google and

Microsoft, manufacturing, banking and pharmaceutical sectors are exploring multi-year 24/7 supply contracts with a combination of solar, wind and hydro energy, while retailers and real estate players are partnering with third-parties to see how this approach could enhance transparency and support net-zero claims.

This year at the New York Climate Energy Week, a group of companies – led by the Climate Group – kickstarted the [24/7 Carbon-Free Coalition](#) to keep increasing awareness among businesses and drive more corporates to embark on the journey to 100% hourly-matched clean energy sourcing.

At the EU level, hourly matching was included as a criterion to certify green hydrogen in the EU Delegated Hydrogen Act. However, granular certificates are not yet issued formally through recognised registries. At the national level, EU countries, such as Ireland, are promoting hourly matching for data centres in its Climate Action Plan, a trend that other markets are reviewing. Given that data centres currently account for 1% of global power demand and will reach 8% by 2030, the impact of this is huge.

While there is progress, some challenges are hampering 24/7 CFE from becoming mainstream. Eurelectric has identified three major bottlenecks:

1. Scarce products availability is limiting the 24/7 CFE uptake

Energy suppliers may find 24/7 CFE products complex because they require multiple technologies, beyond wind and solar, to cover consumers demand. Today, there are no incentives to develop dispatchable carbon-free technologies such as small modular reactors (SMRs) or advanced geothermal. This leads to a slow market approach, with consumers lacking a clear path to adoption. Consequently, mostly large organisations with significant ESG commitments and resources have been able to pioneer 24/7 energy solutions by directly

collaborating with suppliers.

2. Low demand visibility is restricting investments

Demand for 24/7 CFE products requires more time to scale. Without clear market signals from buyers, suppliers hesitate to invest in assets like storage or other carbon-free technologies that could enhance 24/7 CFE offerings, and better incentivise the deployment of green technologies. This is why initiatives such as the one from the Climate Group are key.

3. Complex access to granular data impacts traceability and reporting

Hourly-matching requires access to large volumes of data. Yet, the availability, interoperability and quality of hourly-metering data and real-time grid emissions varies across regions. To trace and report on such data, complex energy certificate portfolio management, software or tools, are required.

Overcoming these challenges is only a matter of time. Startups, non-profit organisations and public companies are already creating tools and platforms to enhance trust in the 24/7 CFE market through improved traceability and standardisation. Innovative solutions - such as data and certificates management software and granular certificates trading platforms - are advancing the development of a robust 24/7 CFE ecosystem.

Hourly-matching is a journey that varies across companies based on their electricity needs, local market environment and the grid's emission mix. Any corporation can start this journey by assessing their company's status, building skills, and by developing a detailed strategy for transitioning to an hourly-matched CFE supply. After securing the necessary resources, digital solutions can help optimise, monitor and manage the 24/7 CFE transition by gathering real-time data for energy usage, allowing a company to gain recognition for its decarbonisation efforts.

Note to Editors:

Eurelectric represents the interests of the European electricity industry. We seek to contribute to the competitiveness of our industry, provide effective representation in public affairs and promote the role of electricity in the advancement of society.□

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