

I-RECs in Korea: A Practical Guide for Corporate Buyers and Solar Owners

Canonical:

<https://northmoregordon.com/articles/i-recs-in-korea-a-practical-guide-for-corporate-buyers-and-solar-owners/>

Details:

Home > Articles > I-RECs in Korea: A Practical Guide for Corporate Buyers and Solar Owners

I-RECs in Korea: A Practical Guide for Corporate Buyers and Solar Owners

Published: August 15, 2025.

On April 2, 2025, the I-TRACK Foundation formally approved South Korea for I-REC(E) issuance, creating a parallel mechanism to the domestic K-REC system. This approval enables solar owners operating behind-the-meter systems to monetize self-consumed renewable electricity through a globally recognized certificate framework. Previously, self-consumed solar generation had no formal pathway to support corporate Scope 2 reporting or RE100 commitments. The approval opens access to international buyers seeking renewable electricity attributes and provides Korean owners with a commercial outlet for environmental benefits that K-RECs alone cannot capture.

Publication context: This article reflects its publication date. Market prices, program rules, reporting duties and deadlines may have changed. Confirm current official guidance before making a decision.

Meilin Wu, Client Relationship Manager, Asia Northmore Gordon

South Korea's recent entry into the I-REC (International Renewable Energy Certificate) market represents a major shift for corporate energy buyers and solar system owners operating in the region. It enables businesses to finally recognise renewable electricity that is generated and consumed onsite - especially critical in a country where procuring renewables has long been a challenge due to limited domestic certificate supply.

South Korea Joins the I-REC Market

On April 2, 2025, the I-TRACK Foundation formally approved South Korea for I-REC(E) issuance. This approval creates a parallel mechanism to the domestic K-REC system, specifically tailored for renewable electricity that does not enter the public grid.

To preserve the integrity of both systems and avoid double counting, only assets that are not registered under Korea's national K-REC framework are eligible for I-REC issuance. This includes mainly self-consumed solar generation - particularly rooftop PV systems operating behind-the-meter.

Regulatory Context

The I-REC framework in Korea has been shaped carefully over the past two years, with consultations, technical assessments, and compliance planning taking place throughout 2023 and early 2024. While the domestic K-REC system remains the government's preferred compliance pathway, the I-REC market has been accepted - provided that clear boundaries prevent overlap. In effect, this has allowed the growth of a parallel, private-led market that complements the public system without interfering with national policy objectives.

Why This Matters

Until now, businesses seeking to meet sustainability goals in South Korea had few effective pathways. K-RECs (Korean Renewable Energy Certificates), while useful for grid-connected renewables, are primarily tied to Korea's Renewable Portfolio Standard (RPS) and are limited in availability. Moreover, they are not tailored to support voluntary reporting under global frameworks like RE100 or Scope 2 emissions targets.

The introduction of I-RECs fills this gap. It creates a new opportunity for both multinational corporations and local enterprises to credibly report renewable energy use - even when that energy is consumed onsite and doesn't touch the grid.

A Market with Scale and Potential

Industry estimates suggest that as much as 3.2 GW of solar PV capacity in Korea is self-consumed and sits outside the K-REC system. With I-REC issuance now available for such systems, this represents a significant pool of clean energy generation that can be formally recognised and monetised - creating real value for asset owners and buyers alike.

K-RECs vs I-RECs: Key Differences

K-RECs (Korean Renewable Energy Certificates) Issued only for electricity exported to the grid. Serve compliance under Korea's RPS. Not designed for voluntary Scope 2 reporting or RE100.

I-RECs (International Renewable Energy Certificates) Issued for behind-the-meter and off-grid renewable generation. Enable recognition of self-consumed renewable electricity. Suitable for voluntary carbon accounting claims.

Importantly, if electricity is exported and earns a K-REC, it cannot also be issued as an I-REC. I-RECs are only available for the portion of electricity that is generated and consumed onsite.

Issuance, Metering and Claims

1 MWh = 1 I-REC : Certificates are issued based on net eligible generation over a reporting period.

Metering accuracy is essential : To qualify for I-RECs, energy systems must separately track the electricity that is self-consumed versus exported. Without this distinction, issuance of I-RECs cannot proceed.

No double counting : Generation volumes already used to create K-RECs cannot also create I-RECs.

Retirement and reporting : I-RECs must be formally redeemed in the registry to support Scope 2 reporting claims or RE100 targets. The timing and location of retirement must match the reporting period and consumption location.

Considerations for Subsidised Projects

If your solar installation received government funding or incentives, be aware that additional documentation may be needed to confirm your right to claim the environmental attributes. Ownership of certificates must be clearly established before issuance can begin.

Practical Benefits

For Solar Asset Owners:

Unlock new revenue : Previously un-monetised, behind-the-meter solar can now generate certified renewable energy certificates - creating a new income stream.

For Corporate Buyers:

New supply source : In a market where domestic K-RECs are limited, I-RECs offer an alternative that enables Scope 2 reductions without relying on grid-connected projects.

Access for SMEs : Smaller businesses that couldn't participate in the traditional K-REC market now have a viable option for demonstrating renewable energy use.

For the Market:

Supports decentralised renewables : By enabling monetisation of self-consumed solar, I-RECs help accelerate Korea's energy transition from the ground up, independent of government quotas or centralised incentives.

How Northmore Gordon Can Help

Whether you're an onsite solar generator or a corporate buyer aiming to source Korean I-RECs, we can provide a complete support package:

Feasibility & eligibility screening : Assess whether your sites and systems qualify under I-REC rules.

Metering and dataflow design : Ensure accurate separation of self-consumed vs exported energy to meet issuance requirements.

Asset registration and issuance support : Manage the full registration and certificate creation process.

Monetisation strategies : Connect you with I-REC buyers or build a portfolio that generates consistent value.

Scope 2 alignment & assurance : Ensure that redeemed certificates are audit-ready and meet reporting standards.

Next Steps

If you own or manage self-consumed solar in Korea - or if your company is seeking to procure local renewable electricity without relying on scarce K-RECs - Northmore Gordon is here to help. We provide a structured, step-by-step pathway from eligibility check through to monetisation and reporting.

Contact us today to explore how I-RECs can support your energy and emissions strategy in Korea. Call or email Meilin Wu or submit your interest [here](#)

Scheme and certificate context

Before using a certificate or grant figure, confirm the current scheme method, eligible activity, effective date, evidence requirements, price date and registration or application process.

Related guidance

Certificate services

Government schemes

Contact us

Read the original article for the source publication and its full context.

When did South Korea formally enter the I-REC market, and what does this approval mean for solar owners?

On April 2, 2025, the I-TRACK Foundation formally approved South Korea for I-REC(E) issuance, creating a parallel mechanism to the domestic K-REC system. This approval enables solar owners operating behind-the-meter systems to monetize self-consumed renewable electricity through a globally recognized certificate framework. Previously, self-consumed solar generation had no formal pathway to support corporate Scope 2 reporting or RE100 commitments. The approval opens access to international buyers seeking renewable electricity attributes and provides Korean owners with a commercial outlet for environmental benefits that K-RECs alone cannot capture.

What is the critical distinction between K-RECs and I-RECs in Korea, and which should a corporate buyer choose?

K-RECs are issued only for grid-exported electricity and serve Korea's Renewable Portfolio Standard (RPS) compliance; they are not designed for voluntary Scope 2 reporting or RE100 targets. I-RECs are issued for behind-the-meter and off-grid renewable generation, enable recognition of self-consumed electricity, and align with global carbon-accounting standards. A corporate buyer seeking to support Scope 2 claims or voluntary sustainability targets should use I-RECs from self-consumed solar. A buyer focused on RPS compliance or acquiring grid-generated renewable electricity should use K-RECs. The two serve fundamentally different accounting and regulatory purposes.

Can a single solar installation create both K-RECs and I-RECs for the same electricity generation?

No. Double-counting is strictly prevented: if electricity is exported and earns a K-REC, it cannot also create an I-REC. I-RECs are available only for the portion of electricity generated and consumed onsite. Generation volumes already used to create K-RECs are ineligible for I-REC issuance. This separation ensures environmental integrity and prevents the same megawatt-hour from supporting multiple claims. Metering must separately track self-consumed versus exported electricity to establish clear eligibility boundaries and avoid compliance violations.

Why is metering accuracy and data separation essential for I-REC eligibility in Korea?

I-REC issuance requires proof that electricity was self-consumed onsite rather than exported. Without separate metering or data collection that distinguishes self-consumed from exported generation, regulators cannot verify eligibility and the project cannot proceed to issuance. Energy systems must capture and report this distinction in each reporting period. Metering failures or ambiguous data significantly delay certification and can result in reduced or rejected issuance. We support this through metering-plan design and dataflow architecture that ensures clean separation of consumption streams from project inception.

What are the commercial implications of South Korea's estimated 3.2 GW of self-consumed solar capacity sitting outside the K-REC system?

Industry estimates suggest approximately 3.2 GW of solar PV capacity in Korea operates behind-the-meter and generates self-consumed electricity that historically had no formal recognition pathway. This represents a substantial pool of clean energy that can now be monetized through I-RECs. For solar owners and rooftop-system operators, I-REC eligibility opens a new revenue stream to offset project costs or improve financial returns. For corporate buyers, this capacity represents access to significant volumes of Korean renewable electricity for Scope 2 accounting and sustainability reporting. The market opportunity incentivizes rapid uptake of I-REC registration and certificate creation.

What must happen for I-RECs to support a corporate Scope 2 claim or RE100 target?

I-RECs must be formally redeemed (retired) in the registry to support Scope 2 reporting claims or RE100 targets. The timing and location of retirement must precisely match the reporting period and consumption location documented in the corporate inventory. Simply holding certificates is insufficient; retirement establishes that the renewable attributes have been claimed and removed from circulation. We assist by confirming that redeemed certificates are audit-ready, that retirement documentation aligns with the applicable accounting framework (such as GHG Protocol Scope 2 Guidance), and that the claims supported are accurate and defensible to external reviewers.

How should owners of government-subsidized solar installations approach I-REC eligibility?

If a solar installation received government funding, grants, or other incentives, additional documentation may be required to confirm ownership rights to environmental attributes. Some subsidy programs

impose conditions on attribute ownership or require revenue-sharing arrangements. Before claiming I-RECs, owners should verify that the subsidy terms do not restrict or prohibit certificate issuance, and establish clear legal ownership of the attributes themselves. Ambiguity on this point can delay or prevent I-REC registration. We provide eligibility screening and documentation support to clarify subsidy implications and secure the necessary confirmations before committing to the registration pathway.

What practical support does Northmore Gordon offer to help Korean solar owners and corporate buyers navigate I-RECs?

We provide a multi-stage support pathway: feasibility and eligibility screening to confirm I-REC candidacy; metering and dataflow design to separate self-consumed from exported electricity; asset registration support to navigate the I-TRACK system; issuance support to gather required documentation; monetisation strategy to connect owners with I-REC buyers; and Scope 2 alignment and assurance to ensure retired certificates are audit-ready and defensible. This integrated approach connects technical eligibility with commercial strategy and reporting requirements, reducing risk and accelerating market entry for both owners and corporate buyers seeking Korean renewable electricity attributes.