



European
Commission



CLEAN ENERGY FOR ALL EUROPEANS

Renewables & Wholesale Market Design – Update
Dublin, April 13th 2018

Elaine O'Connell
European Commission – DG ENERGY

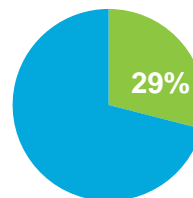


CONTEXT

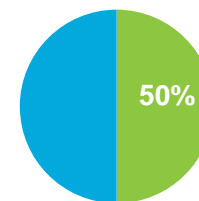
MORE POWER COMING FROM RENEWABLES



2014

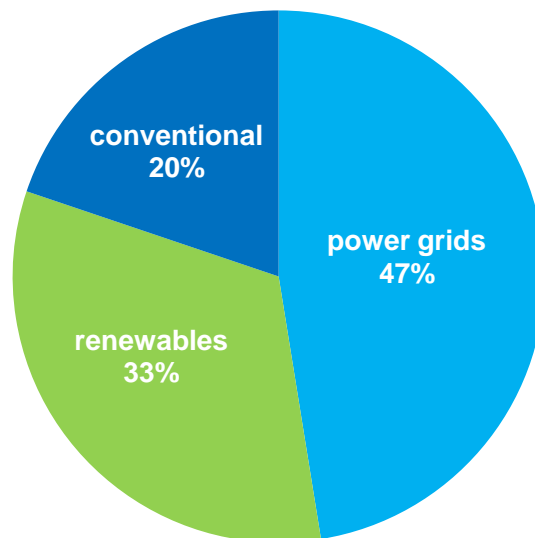


2030



Today up to **90%** of variable renewable electricity is connected to distribution grids

INVESTMENT NEEDS FOR POWER: €75 bn PER YEAR FOR 2021-2030



WHY DO WE NEED THIS PACKAGE?

THE ENERGY SYSTEM OF TOMORROW WILL LOOK DIFFERENTLY

2030

50% of electricity to come from renewables



2050

Electricity completely carbon free



Ambitious **energy and climate commitments**



With leadership comes responsibility

Unique opportunity to **modernise our economy** and to

boost competitiveness

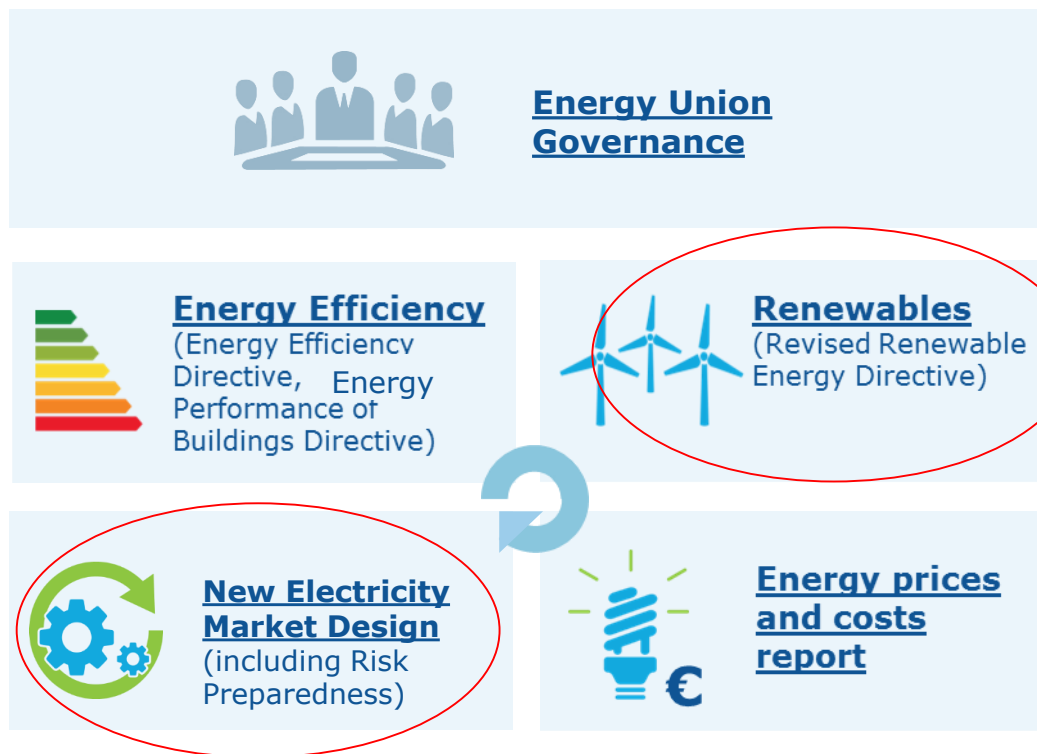
create the growth and jobs we need

HOW DO WE GET THERE?

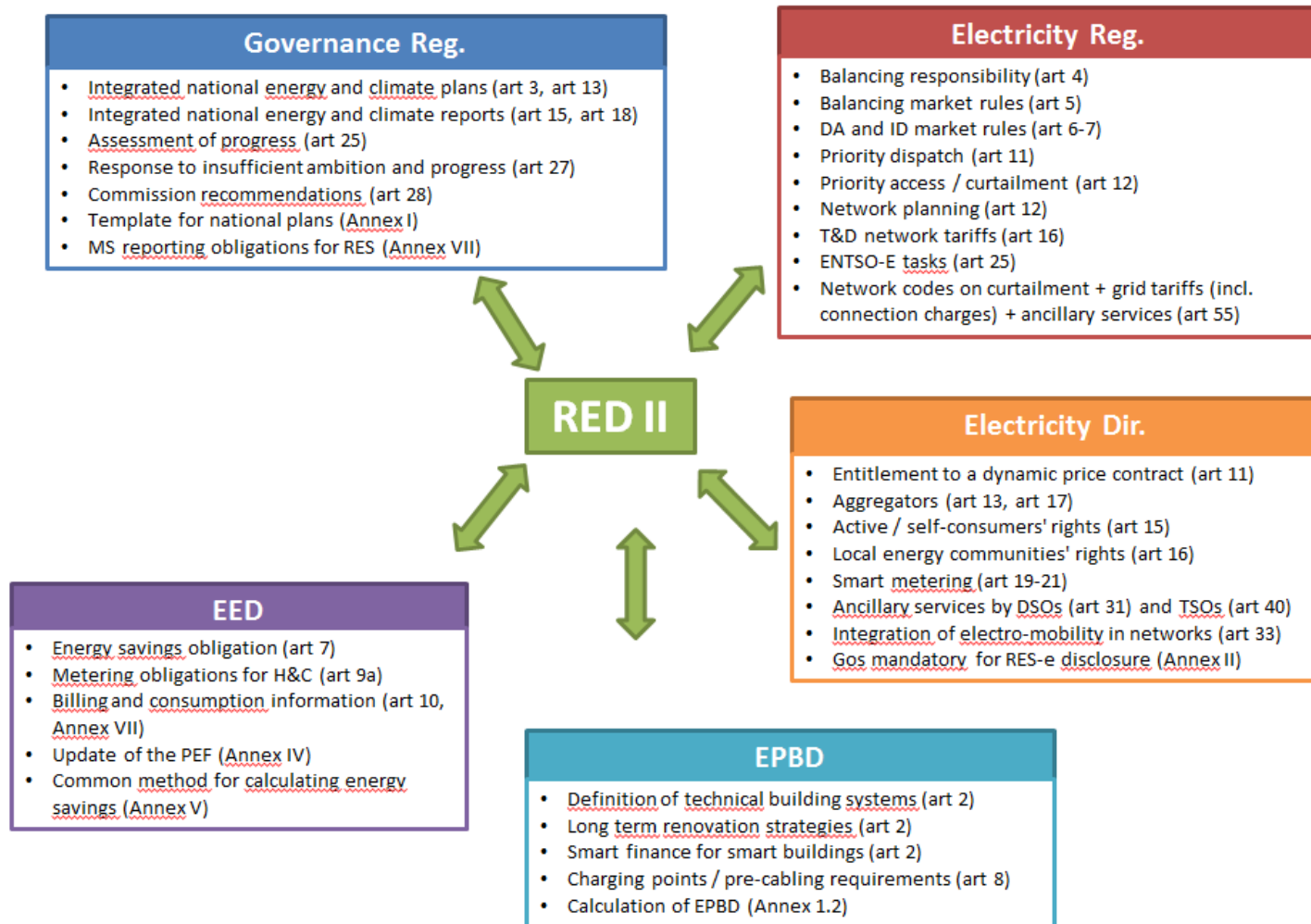
THE RIGHT REGULATORY FRAMEWORK FOR POST – 2020

" In essence the new package is about tapping our green growth potential across the board"

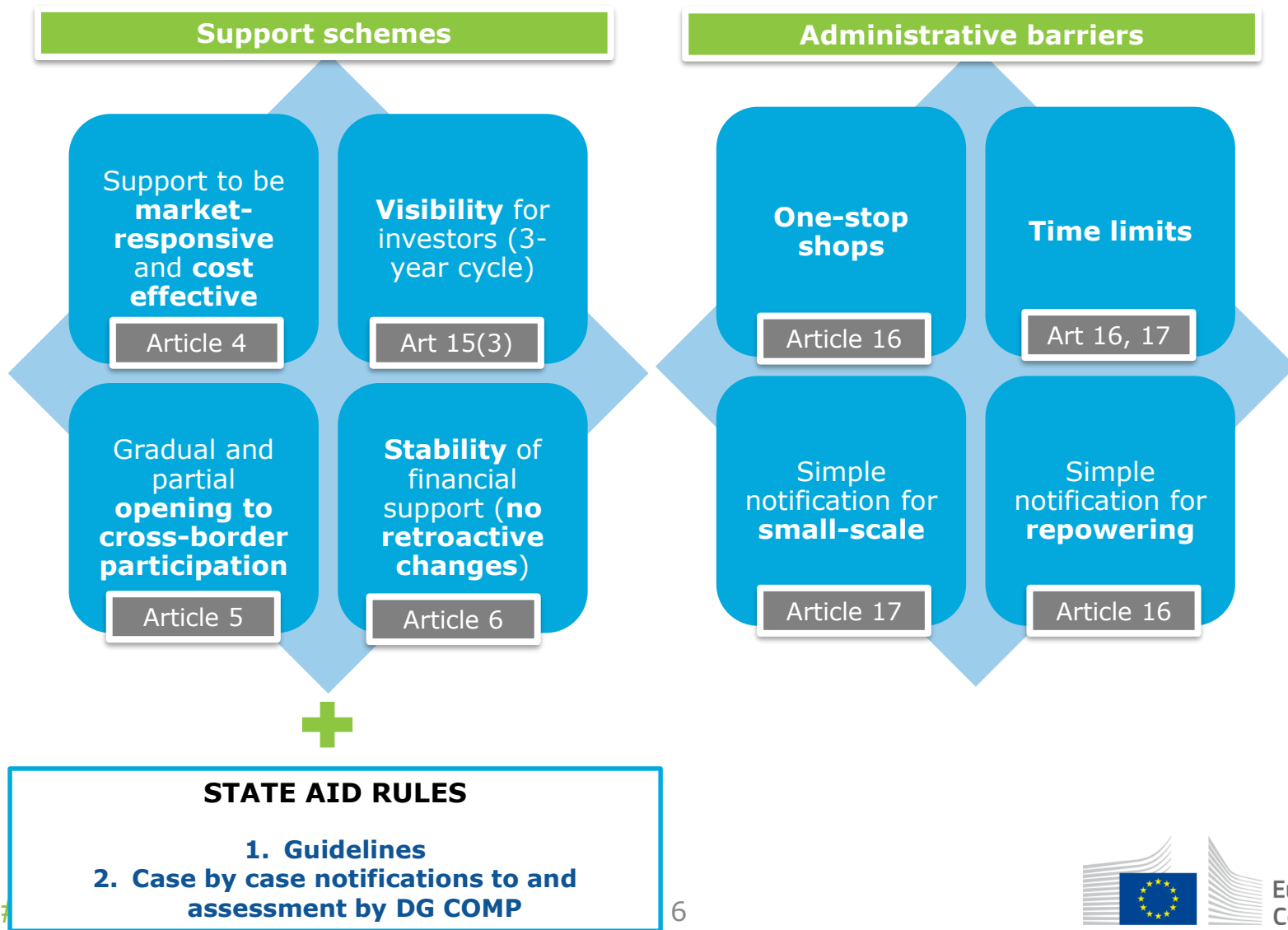
Commissioner Miguel Arias Cañete (2016)



RES-relevant provisions in the Package...



RED II COM PROPOSAL: A Stable Framework for Renewable Electricity



WHOLESALE MARKET DESIGN



Boost wholesale market **flexibility** and provide **clear price signals** to facilitate the continuing penetration of renewable energies and ensure investments



Enable **active consumer participation** and ensure that **consumers are protected and benefit** from progress in energy technologies



Promote **regional cooperation** and provide a true **European dimension to security of supply**

WHERE?

Electricity Regulation (RECAST)

- Contains majority of new wholesale rules

Electricity Directive (RECAST)

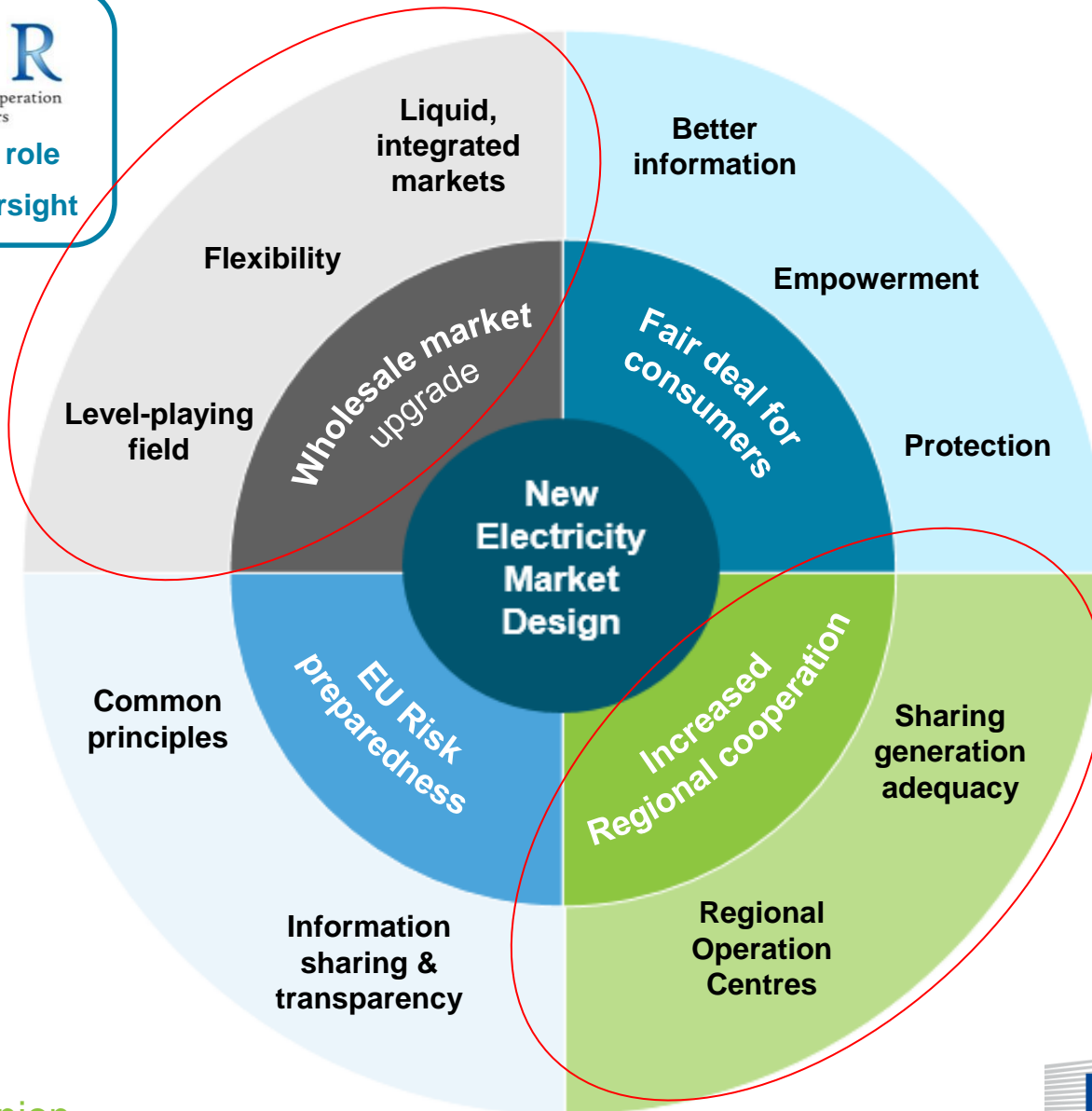
- Contains majority of new retail provisions

ACER Regulation (RECAST)

- ACER tasks and procedure

Regulation on Risk preparedness (NEW)

- Member States put in place appropriate tools to prevent, prepare for and manage electricity crisis situations



E-Regulation COM PROPOSAL: MARKETS FIT FOR PURPOSE

COMPETITIVE ENERGY MARKETS ARE AT THE HEART OF A COMPETITIVE ECONOMY

Strengthened short-term markets

Increase **cross-border trading opportunities** over shorter timeframes (intraday and balancing markets)

Reward flexibility for generation, demand-response and storage

Allow **prices to show real value** of electricity in terms of time and location (scarcity pricing)

Regional cooperation

Regional Operation Centres (TSOs)

Common rules on **crisis prevention**

European framework for capacity remuneration

New tasks for **ACER**

Enhancing System Flexibility:

INTEGRATION OF RENEWABLES

MARKET-DRIVEN INVESTMENTS

Level-playing field among sources

Removal of **priority dispatch** for new projects

Curtailment rules

Remuneration on equal terms on market principles

Extended **balancing** responsibilities

Non-discriminatory charges for **distributed generation**

No discrimination of cross border trade

Market principles from **Network Codes/Guidelines** to The Electricity Regulation

Do not push **congestion** to the border

Commission decision on **bidding zones**



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THANK YOU!

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