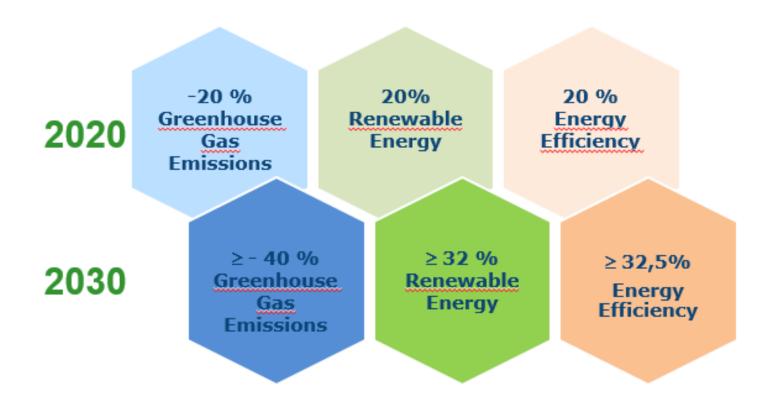


## Clean energy for all Europeans Latest developments

Rémi Mayet
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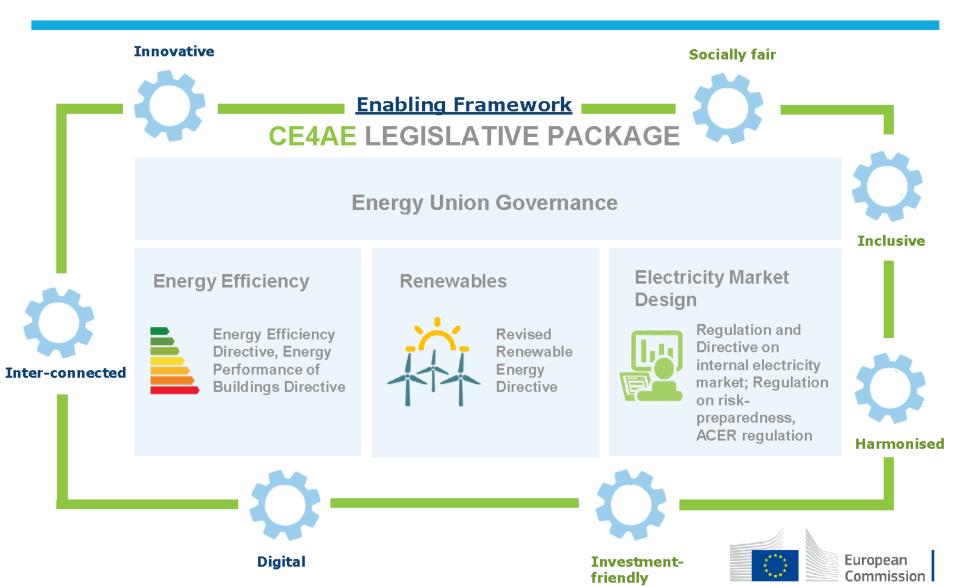


## REMINDER: WHY THIS PACKAGE? TO DELIVER NEW EU ENERGY AND CLIMATE TARGETS





## **CLEAN ENERGY TRANSITION- policy background**



### CLEAN ENERGY FOR ALL EUROPEANS PACKAGE LEGAL TEXTS

- ► Energy Performance of Buildings Directive (EU) 2018/844
- The revised Renewable Energy Directive (EU) 2018/2001
- The revised Energy Efficiency Directive (EU) 2018/2002
- Governance of the energy union and climate action (EU) Regulation 2018/1999
- Regulation on risk-preparedness in the electricity sector (EU) 2019/941\*
- Regulation establishing a European Union Agency for the Cooperation of Energy Regulators (EU) 2019/942\*
- ➤ Regulation on the internal market for electricity (EU) 2019/943\*
- Directive on common rules for the internal market for electricity (EU) 2019/944\*

NEW IN ITALIC SINCE THE LAST MEETING
Published in the Official Journal of the European Union on 14 June 2019



#### 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 (day-ahead, intraday and balancing markets)

**Reward flexibility** for generation, demandresponse and storage

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

Competitive retail markets

Flexible network management

Clear conditions for retail price regulation

**Fair market access** for new market players such as new service providers

Distribution operators as neutral but **active market facilitators** 

New
Electricity
Market
Design

Level-playing field among sources

Rules on priority access and dispatch

**Curtailment** rules

**Remuneration** on equal terms on market principles

Extended **balancing** responsibilities

**Regional cooperation** 

Regional Coordination Centres (enhancing regional cooperation of TSOs)

Common rules on **crisis prevention** 

European framework for sytem adequacy and capacity remuneration

New tasks for ACER/EU DSO



### Key areas for security of supply

- 1 Risk preparedness plans based on regional cooperation for electricity
- 2 Adequacy assessment at European level for capacity mechanisms
- Decision-making competence of **Regional Coordination**Centres (RCCs)
- 4 Cybersecurity





Regulation (EU) 2019/941
Risk preparedness in the electricity sector

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#### Why Risk Preparedness?

When preparing or managing crisis situations, Member States follow different approaches and tend to disregard the situation across their borders

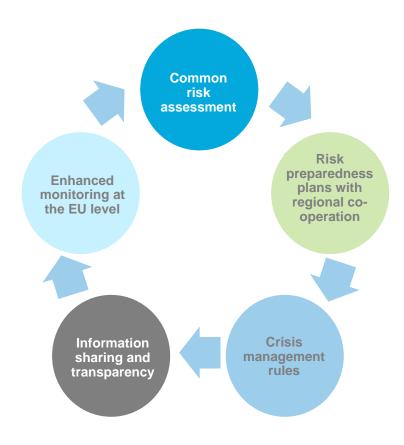
- Crisis plans and actions tend to remain national in focus (regional co-operation remains very limited)
- Lack of information sharing and transparency
- No common approach to identifying and assessing risks



Un-coordinated action threatens security of supply and undermines market functioning

#### HOW?

#### **COMMON RULES & REGIONAL CO-OPERATION**





#### RISK ASSESSMENT AND PLANS

## Common risk identification and assessment

- ✓ Common methodology for:
  - Identifying electricity crisis scenarios
  - Assessing possible short-term adequacy issues
- ✓ To be developed by ENTSO-E and approved by ACER, following and inclusive consultation process
- ✓ Identification of crisis scenarios in regional context

### Risk preparedness plans

- ✓ National plans based on common rules and templates, drawn up by competent authorities. Plans have to be published
- ✓ Some measures must be co-ordinated in advance at the regional level
- ✓ Prior consultation of other Member States and Electricity Coordination Group (ECG)
- ✓ Commission can issue opinions on the plans



#### MANAGING ELECTRICITY CRISIS

# Crisis management principles

- ✓ Market comes first: non-market measures can be taken only as a last resort measure
- ✓ Cross-border co-operation and assistance

# Information sharing and transparency

- ✓ Obligation to inform EC and Member States:
  - In case of electricity crisis
  - "Early-warning"
- ✓ Information on the reasons of crisis, measures and need for assistance



#### **EVALUATION AND MONITORING**

## EU level monitoring

- ✓ Ex-post evaluation of electricity crisis situations by Member States concerned
- ✓ More systematic monitoring (via the Electricity Coordination Group) and reporting on Member States' performance in terms of security of supply, based on common indicators



#### ROADMAP FOR IMPLEMENTATION IN THE EU



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