European Commission

Generation adequacy, capacity mechanisms and the internal market: consultation responses

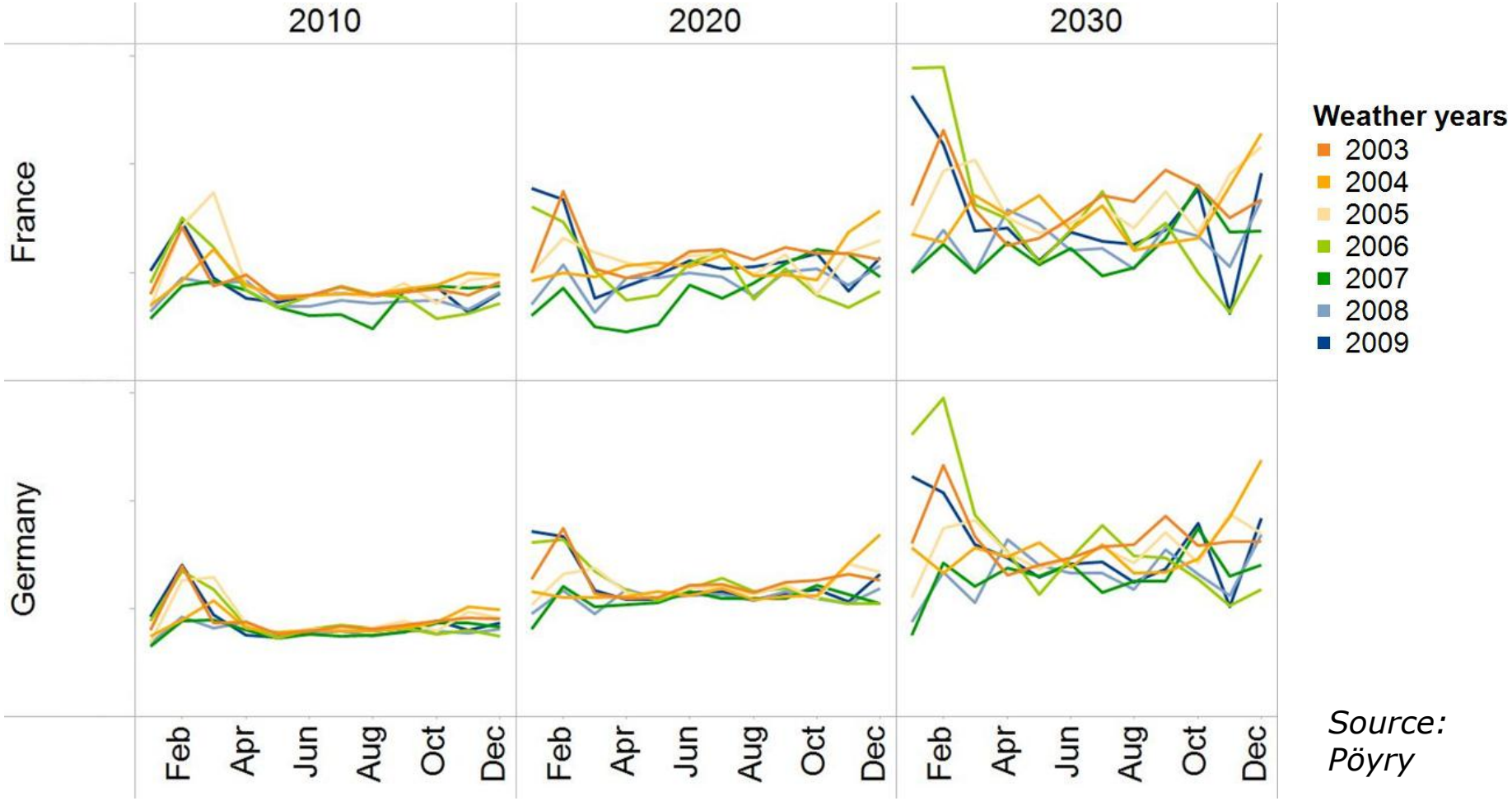
Stakeholder Forum

Inge Bernaerts

DG Energy
Unit B2 Wholesale markets: electricity and gas

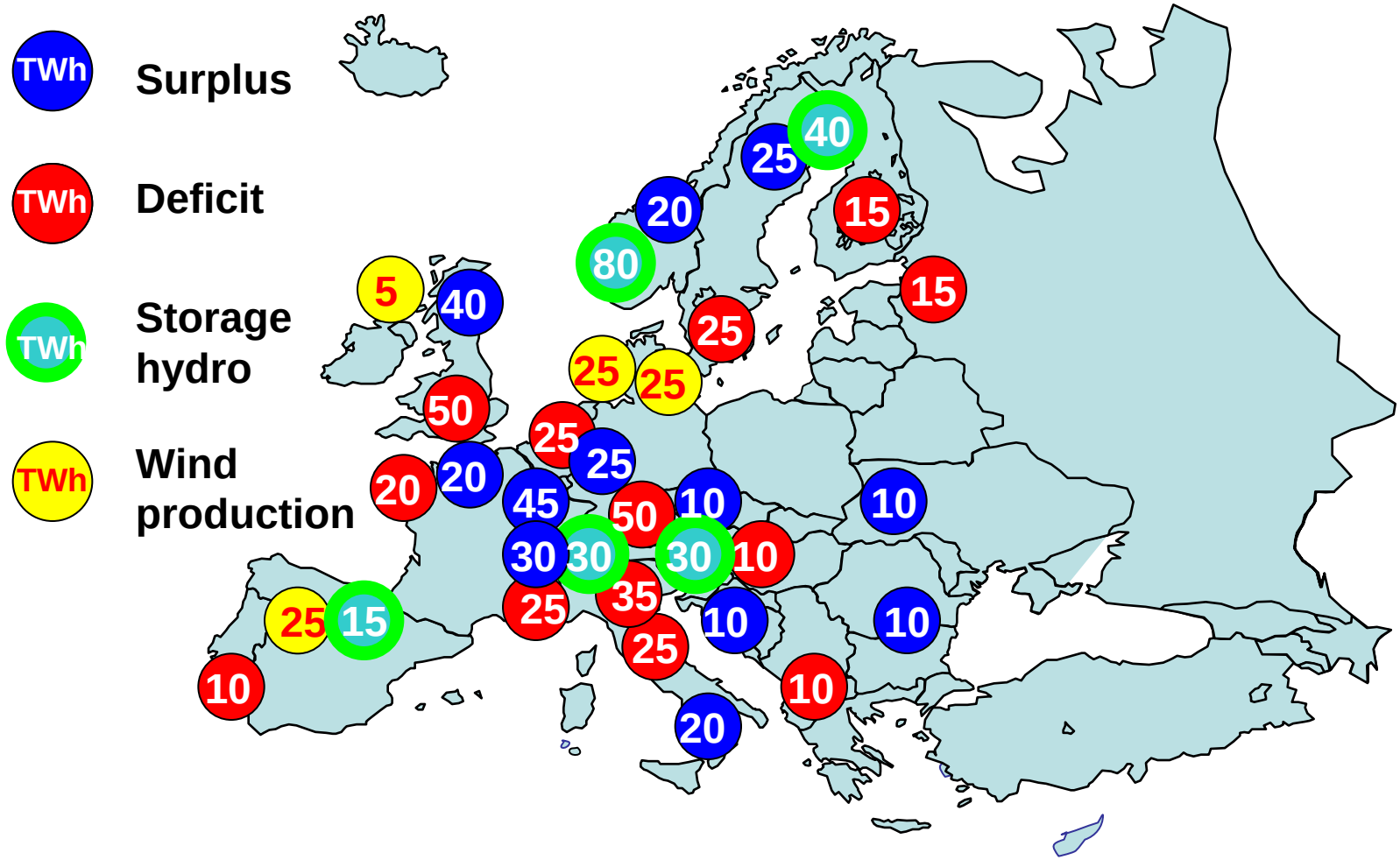
8 March 2013

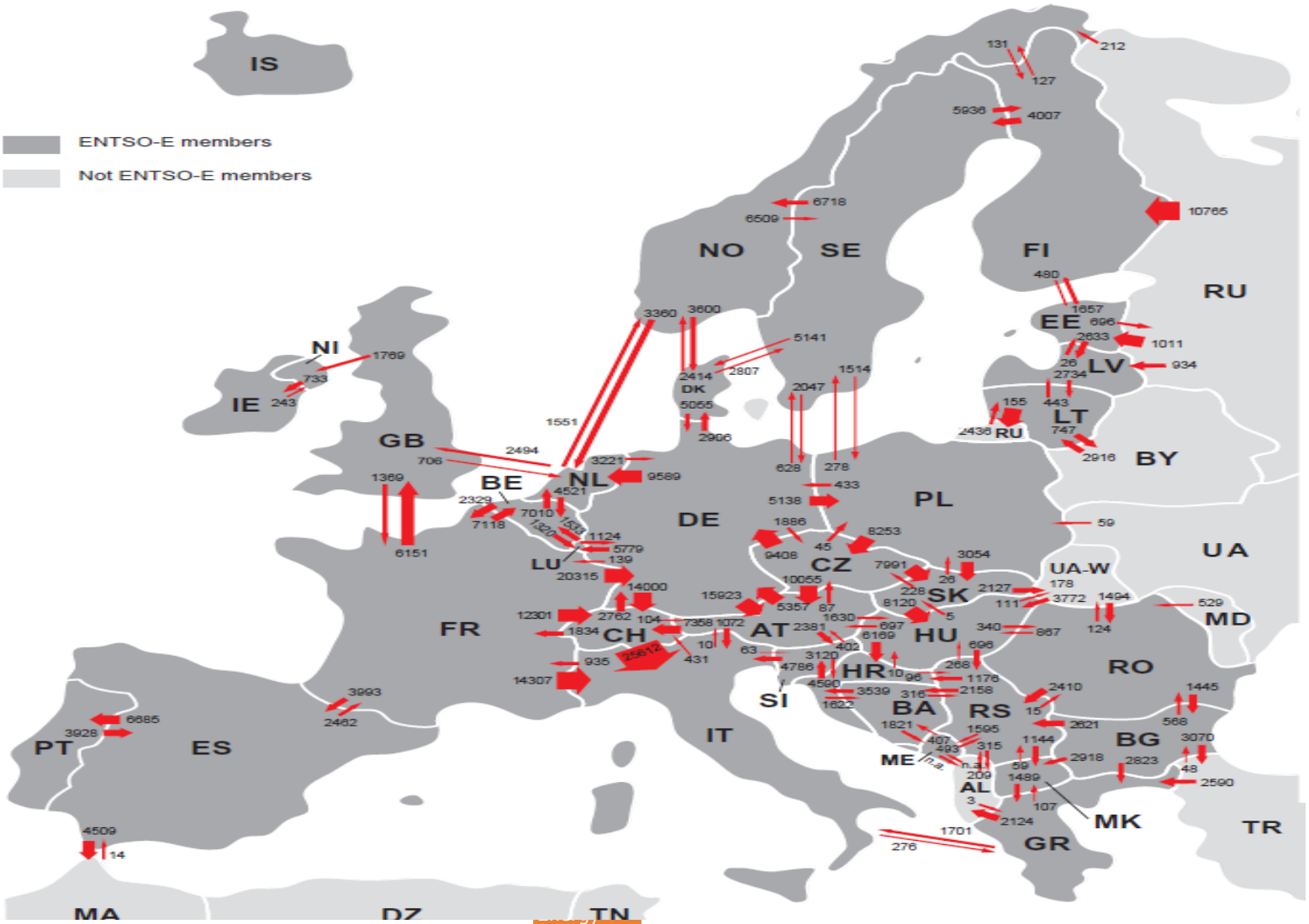
Monthly average wholesale price



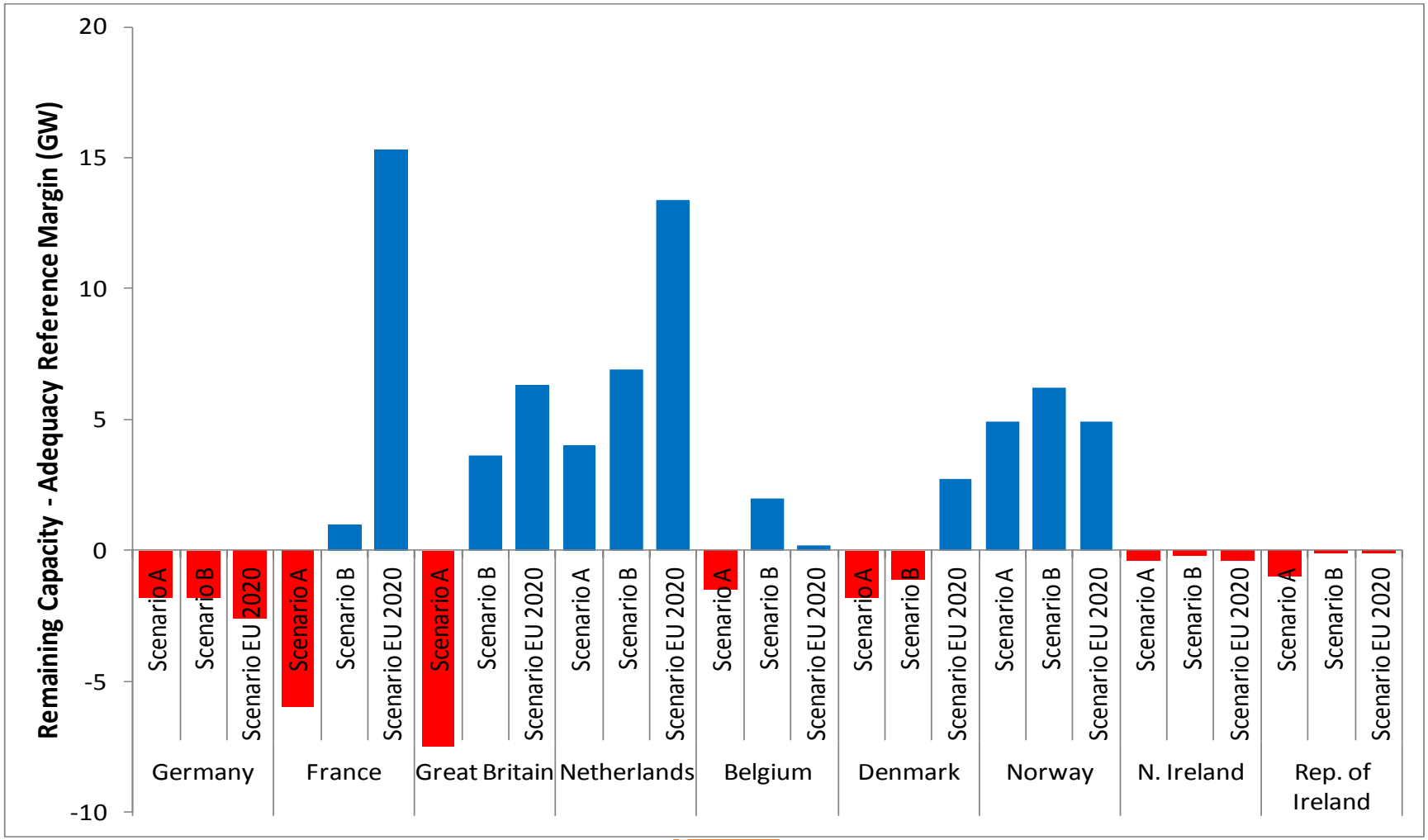
Source: Pöyry

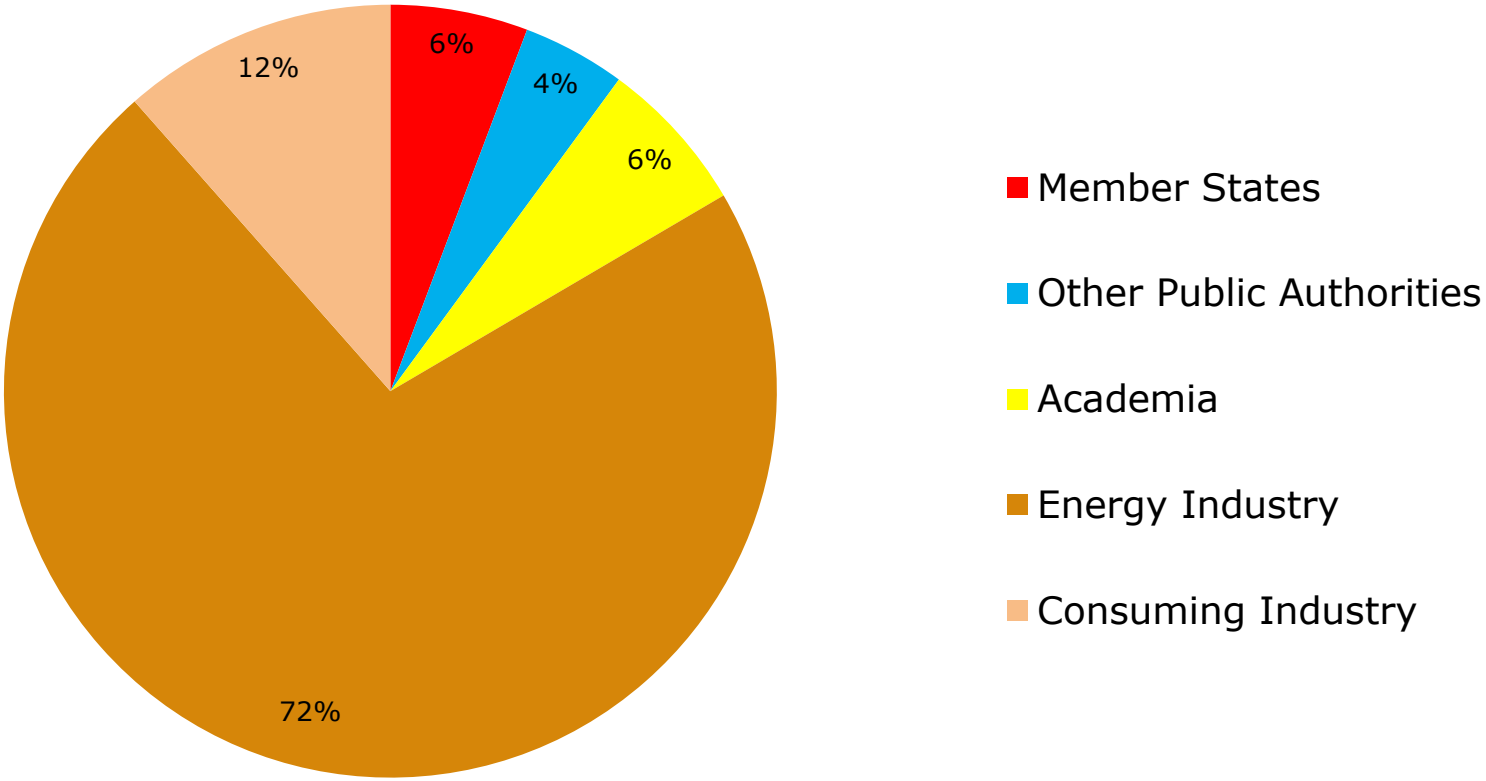
Surplus and deficit areas

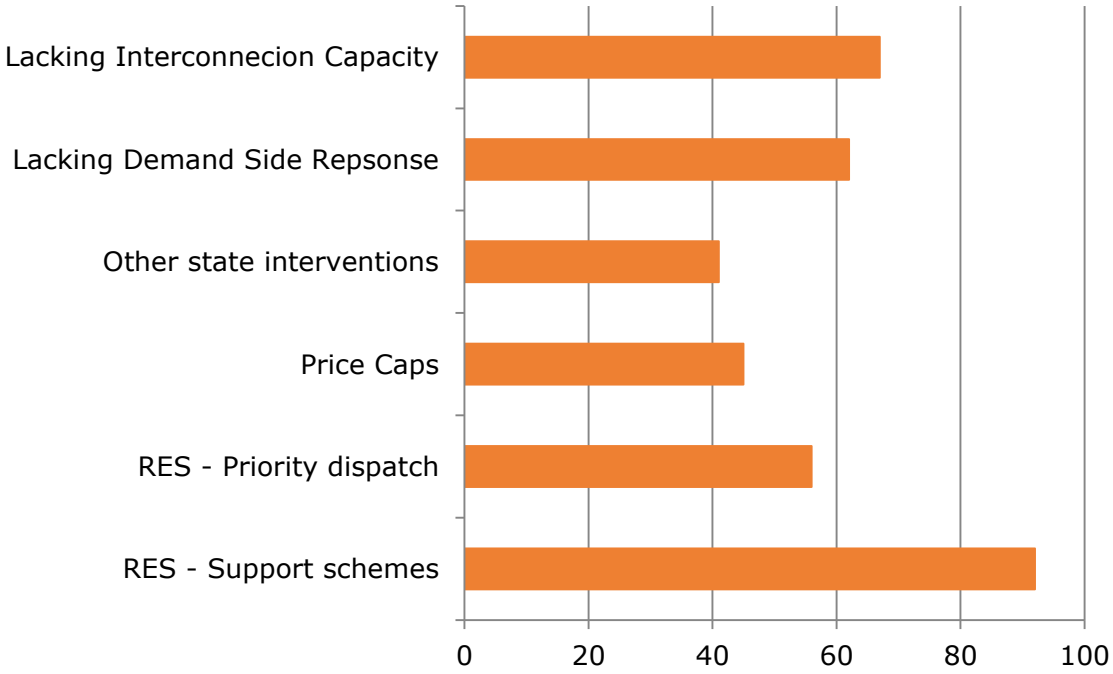



ENTSO-E members
Not ENTSO-E members
IS
NO
SE
FI
RU
EE
LV
LT
BY
NI
IE
GB
BE
NL
DE
DK
PL
UA
UA-W
MD
LU
CZ
SK
FR
CH
AT
HU
RO
HR
SI
BA
RS
BG
ME
AL
MK
GR
TR
IT
PT
ES
MA
DZ
TN

Generation adequacy 2020 – NW Europe

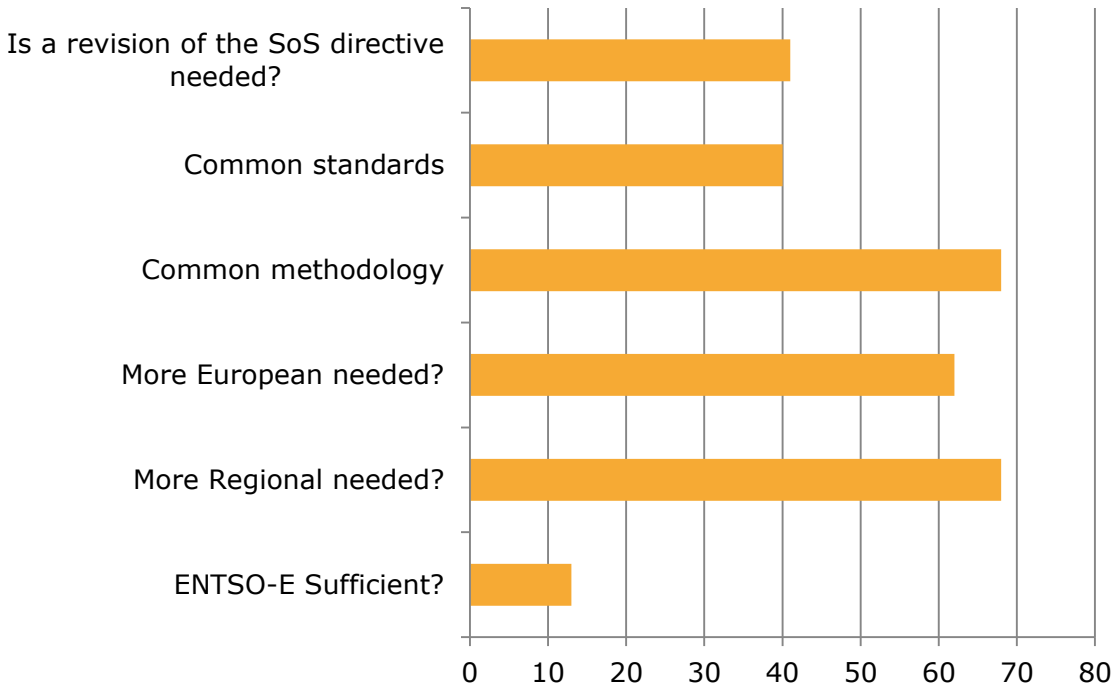



6%
4%
6%
72%
12%
Member States
Other Public Authorities
Academia
Energy Industry
Consuming Industry



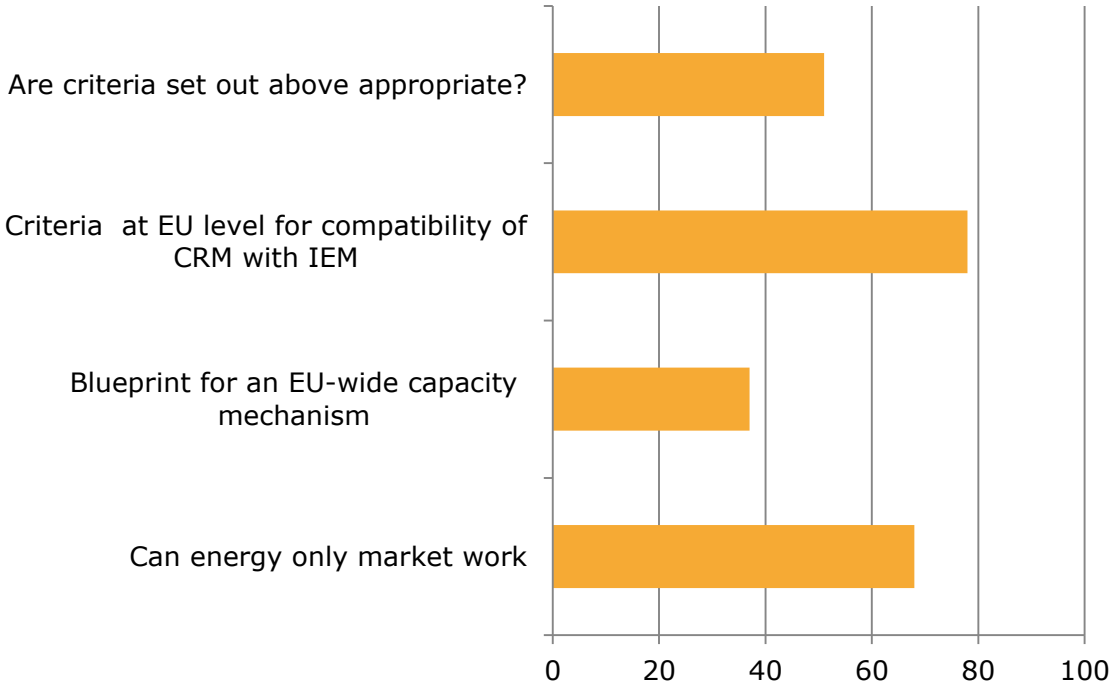
Challenges to market functioning…

…But nearly all respondents emphasised need to complete IEM and support functioning markets



Assessing generation adequacy

Need for adaptation recognised – but how to implement?



Split views on need for CRMs

Wide support for EU criteria/guideance

Limited support for EU mechanism

Flexible capacity or sufficient capacity

- **Many argue energy market should deliver flexibility – CRM only for sufficient capacity**

Strategic reserves

- **View split – slippery slope or limited and targeted intervention**

Very limited support for capacity payments

Support for criteria

- **MS to demonstrate proportionality**

  Especially on cross border effects
- **Market based**
- **Transitional**

	Next steps
14 March	Electricity coordination group discussion
	Internal preparation in Commission
24 April	Informal energy council
	Further reflections plus internal procedures
July	Commission to set out framework for CRMs
Q3/Q4	Commission to set out way forward for Coordinated generation adequacy assessment

European Commission

Thank you for your attention!

Energy