



FRIENDS OF THE
SUPERGRID

Interconnecting electricity for
Europe's sustainable growth!



European Union Energy Day

ABU DHABI

January 17, 2017

Friends of the Supergrid

FRIENDS OF THE
SUPERGRID

Europe's largest industrial alliance for
interconnections

Supergrid is an association **promoting** the development of the needed grid infrastructure enabling a smooth energy transition.

Representing the entire supply chain

Supergrid is present in sectors that develop, install, own, operate and deliver **Supergrid infrastructure & related technology.**

✓ 1 million jobs

✓ > €200Billion annual turn-over

“Connecting grids, empowering
people”



EC Winter Energy Package – Overview



Clean Energy for All

Package with 9 Proposals

Clean Energy for All Package

Functioning of the electricity Market

Role of ACER

- Regulation on the Electricity Market Design
- Directive on Common Rules for the Internal Market in Electricity
- Regulation Establishing an Agency for the Cooperation of Energy Regulators

Other Proposals

Governance

RES

Efficiency

Security of Supply

- Regulation on the Governance of the Energy Union
- Directive on the Promotion of the Use of Energy from RES
- Energy Efficiency Directive
- Energy Performance of Buildings Directive
- Risk Preparedness Regulation
- Outcome of Sector Inquiry into National Capacity Mechanisms

Regulation on the Electricity Market



Key Upcoming Changes

Principles

- Prices are formed based on demand and supply and should signal when electricity is needed, providing market-based incentives for investments into flexibility sources (flexible generation, interconnection, demand-response or storage).
- Barriers to cross-border electricity flows and cross-border transactions on electricity markets and related services markets are forbidden.
- Third countries may participate in the internal electricity market with the same rights and obligations for all parties.
- Customers are enabled to benefit from market opportunities.

Cross-Border Markets

- **Balancing:** All market participants bear financial responsibility for imbalances caused on the grid and all resources should be remunerated in the market on equal terms.
- **Short-Term Markets:** Short-term markets will be strengthened by being brought closer to real-time.
- **Prices:** Regulated prices below cost will be phased out and Member States are encouraged to establish a roadmap therefor.

Congestion Management

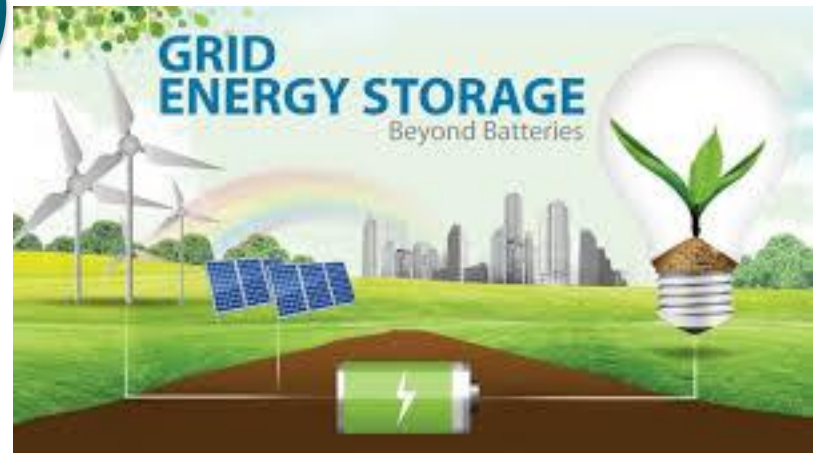
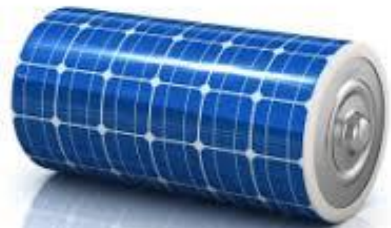
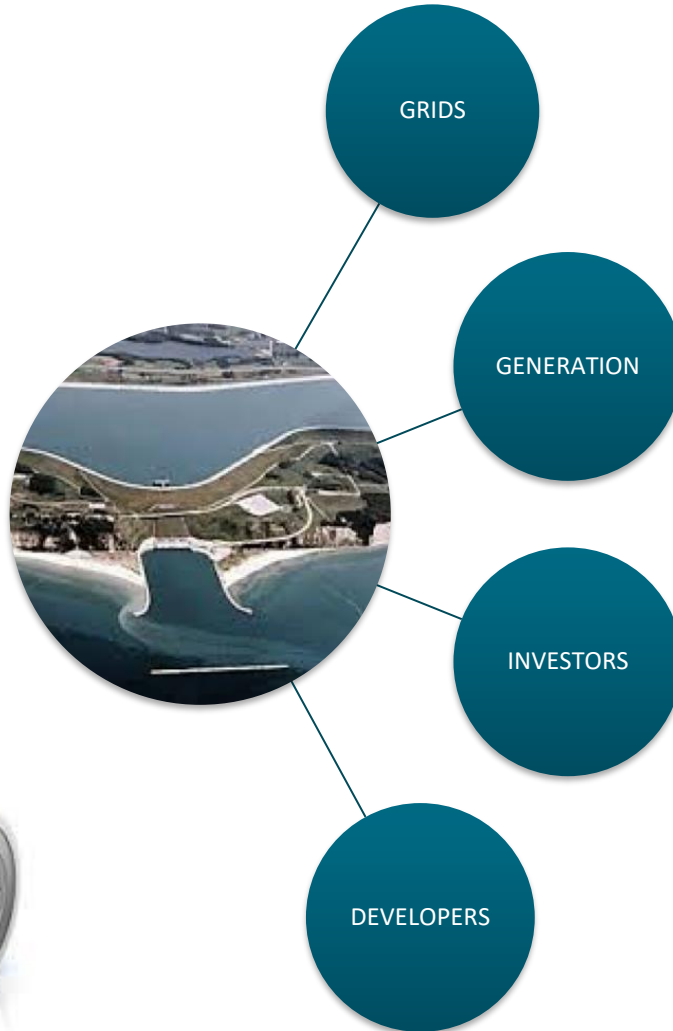
- **Bidding zones:** A bidding zone review will be done to ensure optimal bidding zone definition in closely interconnected areas.
- **Capacity Mechanisms:** Member States shall not restrict capacity in their territory from participating in capacity mechanisms of other Member States.

Regional Cooperation

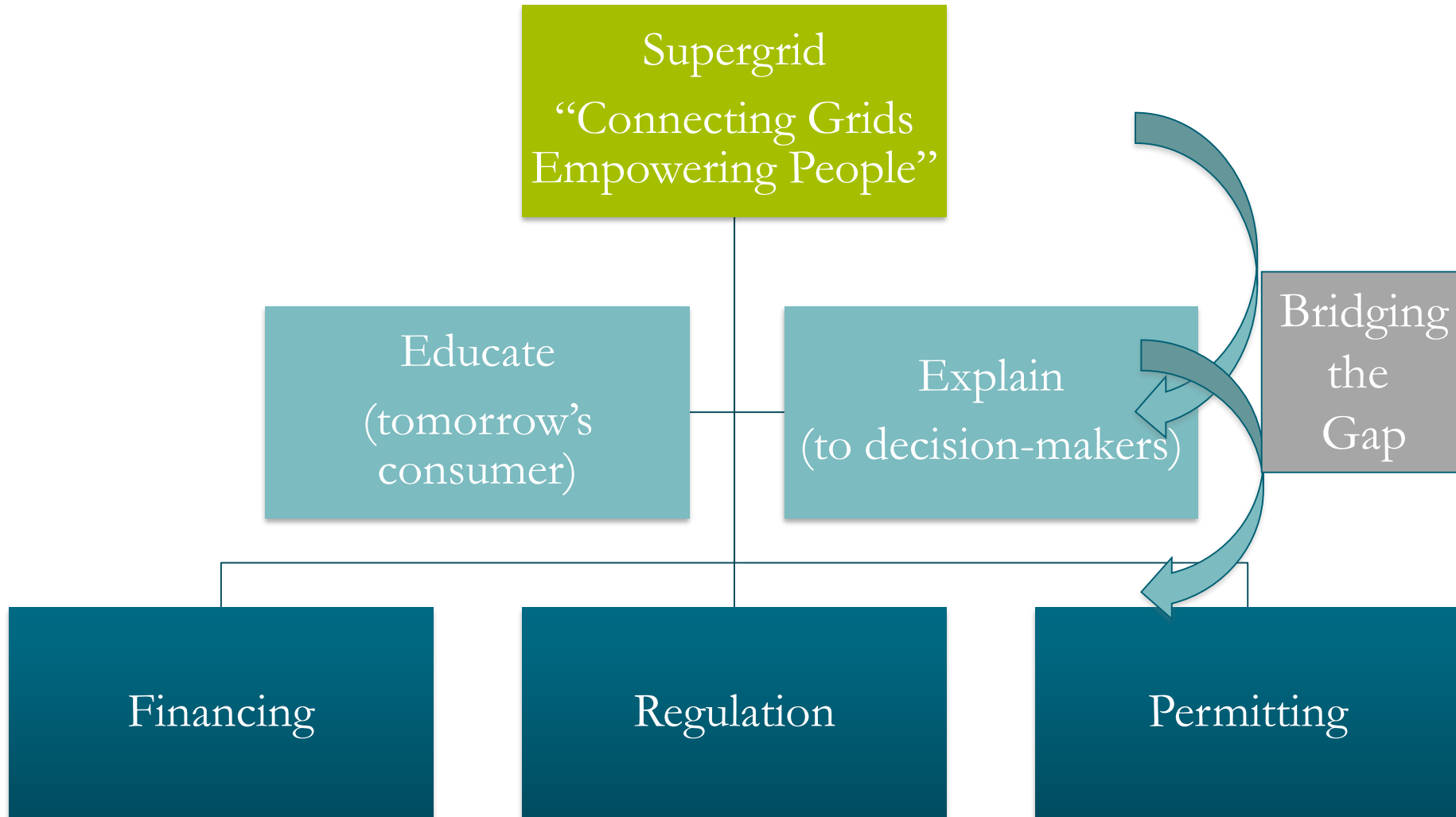
- **Transmission:** By 31 December 2021, all TSOs shall establish regional operational centres (ROCs)
- **Distribution:** An EU DSO entity will be established to raise efficiencies in the EU electricity distribution networks and ensure close cooperation with TSOs and ENTSO-E.

Storage for all...

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The Importance of Communication & Education





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