European Union Energy Day W

Transitioning the Electricity Sector



Abu Dhabi, WFES, 17 January 2017



WFES, Capital Suite, 7 09.00 – 11.00

The future of the energy sector will be shaped largely by the evolution of the electricity sector. The EU is creating the right investment environment for this energy transition to come about, more flexible markets that allow more active participation of a much wider range of actor and adapt both generation and supply profiles. This workshop will provide an overview of the latest progress and achievements of the EU energy policies on the integration of renewables in the electricity sector, and their implications and relevance for other world regions.

09:00 - 09:10 **OPENING**

Paula Abreu Marques - Head of Unit Renewables and CCS Policy, European Commission

09:10 – 10:05 REGIONAL BALANCING

This session will look at which new opportunities a revamped balancing market can offer. New market players, system operators and policy-makers will discuss the conditions needed to improve the functioning of the existing balancing market. Industry players will share first-hand experience on participating in this market, which establishes one of the building blocks of the energy transition. The following topics are addressed:

- How can renewable power operators and demand side management players make money out of balancing market?
- How can new market players replace conventional generation by bringing more renewable power, demand side management and storage solutions into the balancing market?
- Which are the regulatory and market entry barriers for participation of renewable energy generators, demand aggregators and electricity storage?
- What is the future impact/role of the balancing guidelines (Electricity Balancing Network Code)?

Session chair:

Frank Wouters - Director, EU GCC Clean Energy Network II (CENII)

Invited panellists for discussion:

- Lawrence Jones Vice President, Edison Electric Institute
- Mustapha Bakkoury President, MASEN, Morocco (i)
- **Konstantin Staschus** former Secretary-General, European Network of Transmission System Operators for electricity (ENTSO-e)
- Ahmed Al-Ebrahim CEO, Gulf Cooperation Council International Authority (GCCIA)
- Pierre Bernard CEO and Chairman of the Board at Friends of the Supergrid

10.05 - 11.00 THE ROLE OF AUCTIONS

Call for tenders are promoted under the current European Commission's State Aid Guidelines as market-oriented solutions for the allocation of renewables support. This represents a major trend towards the alignment of renewables support systems throughout Europe in the context of the Single European Electricity market, but is also reflected in developments outside of Europe. The following topics will be addressed:

- What impacts will there be across the renewable energy supply chain, competition and number of projects going forward?
- Cost declines: are auctions lowering the prices or just revealing the price reductions?
- How does the tender design affect the cost of capital and eventually the tariff?
- What are the price effects in the market?
- Should we and how can we achieve a smooth transition from feed-in tariff (FiT) to feed-in premium (FiP)?
- How to design an auction that includes local companies?
- What are key parameters for a successful auction: local content requirements, setting the bid bands to discourage unrealistic bids, how to increase competition, mandatory long term schedules, avoidance of winners' curse, etc.?
- Potential for cross-border tenders: Implications on a European scale and the future of renewable energy deployment and regional cooperation?

Session chair:

Dolf Gielen - Director, IRENA Innovation and Technology Centre

Invited panellists for discussion:

- **Nick Carter** Director Middle East, Baringa Partners
- **Fabian Wigand** Senior Consultant, Ecofys
- Simon Müller Head of Systems Integration of Renewables, International Energy Agency
- Mohammed Atif Regional Manager Middle East and Africa, DNV GL
- Carlos Gasco Regulation Head of Division, Iberdrola Renewables (i)

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