



EASE response to Consultation Paper on generation adequacy, capacity mechanisms and the internal market in electricity

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Transparency Register:

EASE – European Association for Storage of Energy – ID no.: 43859808000–87

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Questions

(2) Do you consider that support (e.g. direct financial support, priority dispatch or special network fees) for specific energy sources (renewables, coal, nuclear) undermines investments needed to ensure generation adequacy? If yes, how and to what extent?

It makes sense to give support to selected technologies under certain circumstances and in specific markets. This is only valid for technologies which have not yet reached competitiveness but are expected to do so. Subsidies must be phased out as soon as these technologies have gone down their learning curve, and have reached parity with other sources.

EASE stresses the importance of a thorough impact assessment of the different kinds of support in the short – and medium–term beforehand.

(15) In relation to capacity markets and/or payments:

a. Which models of capacity market and /or payments do you consider to be most and least distortionary and most compatible with the effective competition and the functioning of the internal market, and why?

x

b. Which models of capacity market and /or payments do you consider to be most compatible with ensuring flexibility in a low carbon electricity system?

From the EASE point of view, increased availability of energy storage is “the most important measure to increase the flexibility reserve of the system”. Energy Storage is the only

technology able to take energy out of the system and to bring it back when needed, with a maximum degree of flexibility. Nevertheless, EASE acknowledges the importance of all other means for enhanced system flexibility.

EASE recommends that potential future capacity markets/payments must be shaped in such a way that every energy storage technology should be eligible to participate if able to fulfil the requirements, without discrimination.

(19) Do you consider that the European Commission should develop detailed criteria to assess the compatibility of capacity mechanisms with the internal energy market?

YES, because it is otherwise not certain that the capacity mechanisms are in line with internal energy market. This could represent a step back in the completion of the internal market.

(20) Do you consider the detailed criteria set out above to be appropriate?

a. Should any criteria be added to this list?

Yes, as indicated in point 7) the technology prescription must stay neutral when designing capacity mechanisms. It cannot be that the winning technology will be by the legislator.

b. Which, if any, criteria should be given most weight?

The European Association for Storage of Energy (EASE) is the voice of the energy storage community, actively promoting the use of energy storage in Europe and worldwide.

EASE actively supports the deployment of energy storage as an indispensable instrument to improve the flexibility of and deliver services to the energy system with respect to European energy and climate policy. EASE seeks to build a European platform for sharing and disseminating energy storage-related information. EASE ultimately aims to support the transition towards a sustainable, flexible and stable energy system in Europe.

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Disclaimer:

This response was elaborated by EASE and reflects a consolidated view of its members from an Energy Storage point of view. Individual EASE members may adopt different positions on certain topics from their corporate standpoint.