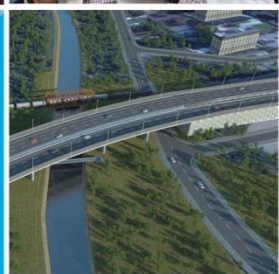
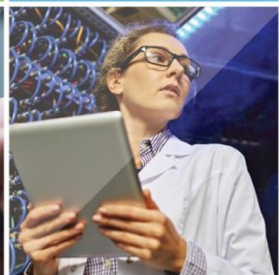
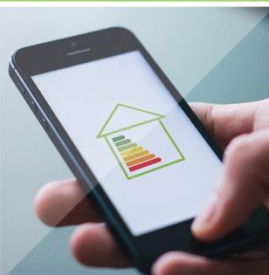




European
Commission



Security of supply and electricity market integration

Yolanda Garcia Mezquita, ENER-B4
Florence Forum, 31 May 2018



- ✓ Lessons learnt from the 2017 South-East European cold spell
- ✓ Update on risk preparedness proposal and considerations on early implementation

Lessons learnt from the 2017 South-East European cold spell

- ✓ Commission contracted study with the aim to understand the impact of the cold spell and the special measures introduced in select Member States and concerned Energy Community Contracting Parties
- ✓ “Study by S&P Global Platts on EU Electricity Markets in January and February 2017“

https://ec.europa.eu/energy/sites/ener/files/documents/platts_report_final_version_rrr.pdf

Lessons learnt from the 2017 South-East European cold spell

- ❑ **Need to conduct a diagnosis** of possible crisis events at regional level - regular assessments (not only 6 months ahead but also closer to real time); aligned methodology and tools ; holistic approach (e.g. links with gas, lignite, etc.)
- ❑ **Need to plan in advance** - identify in advance possible measures, as well as roles and responsibilities
- ❑ **More regional cooperation** – agree in advance on how to help each other in crisis situations
- ❑ **Better information - sharing** at all levels (technical/political, national/regional/ European, also need to inform stakeholders)
- ❑ **Trust markets:** let markets deliver, even in tight situations, e.g. positive role of demand response & imports. 'Under-developed' markets are less resistant to system stress
- ❑ **Non-market measures** such as export ban come at a high cost! They can only be introduced as a measure of last resort (& linked to reasons of system stability) & need to be strictly proportionate

Risk preparedness proposal and considerations on early implementation: First step: “Methodology to identify electricity crisis scenarios at a regional level”

1

ENTSO-E shall submit to the Agency a proposal of methodology. The Agency shall either approve or amend it

2

Crisis scenarios on the basis of at least the following risks: a) rare and extreme natural hazards; b) hazards beyond N-1; c) consequential hazards; d) malicious attacks

3

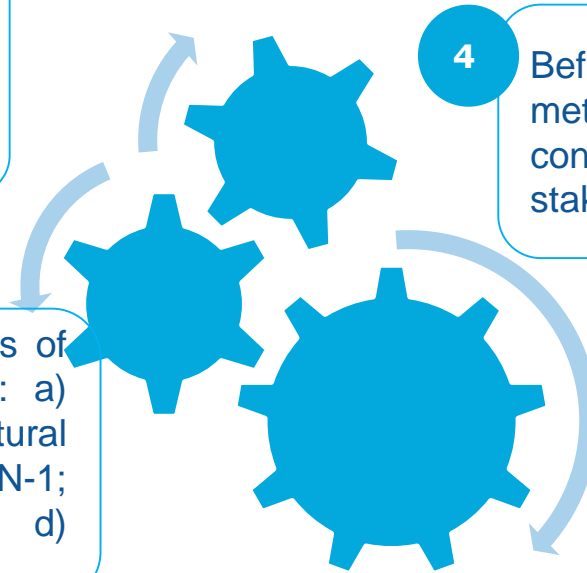
The methodology shall include at least: a) all relevant national and regional circumstances; b) interaction and correlation of risks across borders; c) simulation of simultaneous crisis scenarios; d) ranking of risks according to impact and probability

4

Before submitting the proposed methodology, ENTSO-E shall conduct a consultation involving all relevant stakeholders

5

ENTSO-E shall update and improve the methodology regularly





Thank you for your attention!