

**Question for written answer E-003630/2016  
to the Commission**  
Rule 130  
**Barbara Kappel (ENF)**

Subject: Capacity mechanisms

In the interim report on capacity mechanisms which was published in April, the Commission stated that unnecessary and poorly planned capacity mechanisms damaged competition, hampered cross-border flows of electricity and kept prices artificially high. The following problems exist: (1) a mechanism is created when there are no problems of security of supply; (2) many countries have introduced mechanisms without determining the level of security of supply and, if they have done, the methods are not comparable with one another; (3) capacity prices are not determined by the market.

1. In the interim report, the market in Britain is not directly discussed, but it is mentioned that a centralised purchasing system is advantageous in that it permits many firms to participate and thus avoids over-compensation. How, in the Commission's view, is such a system more advantageous than a strategic network reserve?
2. An important point with a view to making capacity mechanisms more market-oriented is that they should be conceived in a cross-border context. However, this poses problems with regard to the provision of capacity from power stations near borders, and payment for it. How will the Commission solve this problem?
3. What measures are available to the Commission in order to require Member States to ascertain the need for capacity mechanisms more precisely?