

European Parliament - Public Hearing on
the Future of the EU Electricity Market

Empowering Consumers: Demand-Side Flexibility in the New Market Design



Frauke Thies
Brussels, 10 July 2017

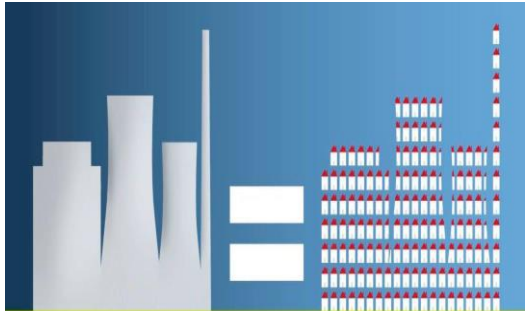
Who We Are

Executive Members



Associate Members

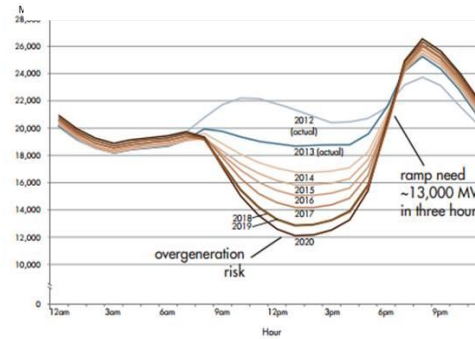




Decentralisation

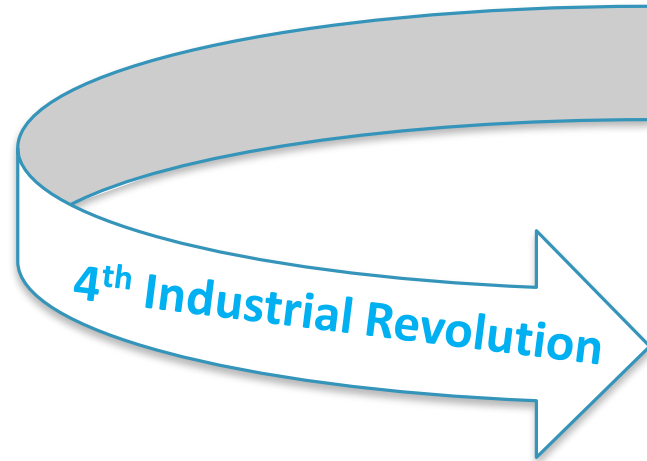


Electrification



Variability

The New Realities



Empowerment



Flexibility



Digitalisation

Examples Today



**Sainsbury's – HVAC in
Supermarkets**



**ArcelorMittal – Steel
Production**



**Individual Consumer with
Automation**

Will Europe Embrace the Potentials...?

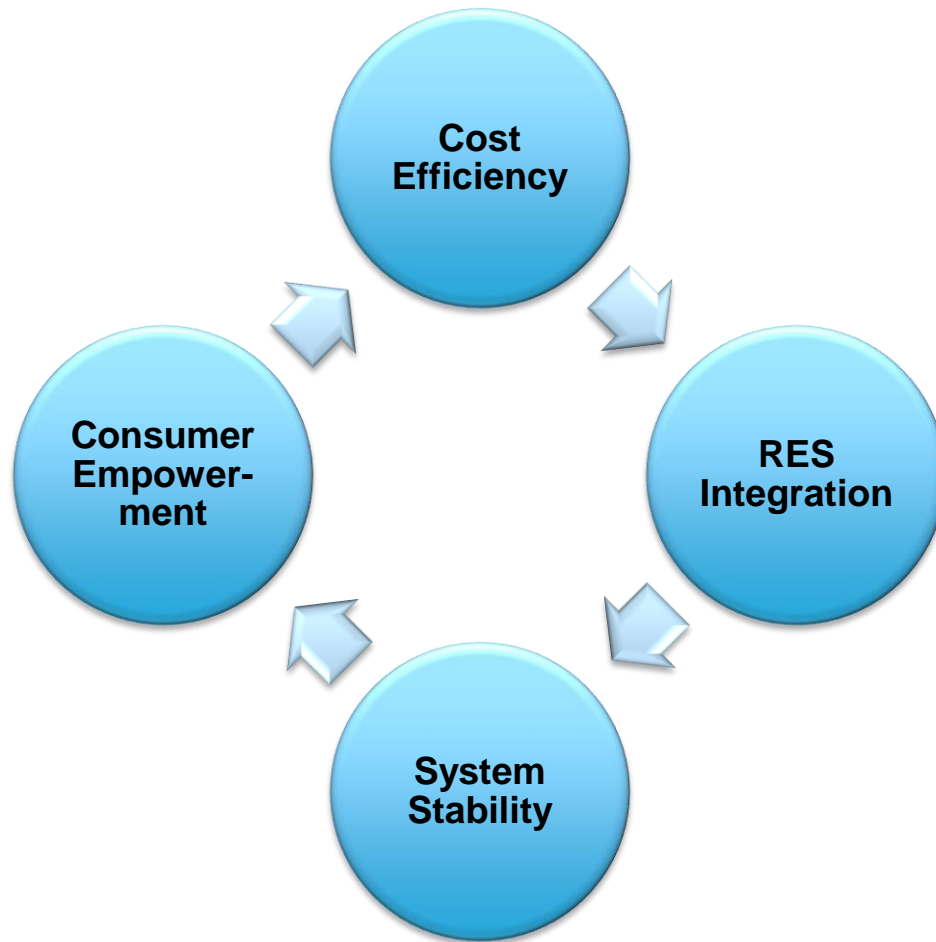


Table 15: Cost of supply in the wholesale market in the year 2030³¹⁰

Load Payments (billion EUR)				
	Day-ahead Market	Intra Day Market	Reserves and balancing	Total
Current Market Arrangements (in context of low price caps, systematic congestion)	326.2	22.1	7.7	356.0
Level playing field + removal of low price caps	327.5	17.1	6.8	351.4
Strengthening short-term markets + removal of low price caps, locational price signals	317.6	11.6	1.9	331.2
Demand response / distributed resources into the market + removal of low price caps, locational price signals, demand response in day-ahead	300.4	4.0	1.0	305.4

Source: NTUA modelling (PRIMES/TEM)

Implicit DSF

- **Dynamic pricing**
 - Choice for all consumers
 - Removal of regulated prices (-> targeted support)
- **Access to Smart Meter**
 - Relevant data access



Explicit DSF

- **Access for DR and DER to all markets**
 - Opening of all markets
 - Adequate product definitions, durations and pre-qualifications
- **Aggregator access without prior agreement/ negotiation**
 - Possibility for simple 'uncorrected approach'
 - Detailed models with perimeter correction where proportionate
 - Adequate contractual conditions with consumer (aggregator switching \neq supplier switching)
 - Relevant data access and protection



Monetising DSF

Commission Proposal/ Karins Report



Effective
Price Signals

- **Remove price caps**
- **Allow scarcity pricing**
- **Reduce blunting effect of taxes/charges/levies**



DSF at DSO
level

- **Enable/encourage DSO procurement of flexibility**
 - Market-based approach
 - Market-based ownership
- **Ensure streamlined approach with wholesale level**
 - With balancing mechanism/ products
 - With electricity markets





SEDCC

Smart Energy Demand Coalition



frauke.thies@smartenergydemand.eu



+32 2 58 88 992



www.smartenergydemand.eu



@SEDCC_EU