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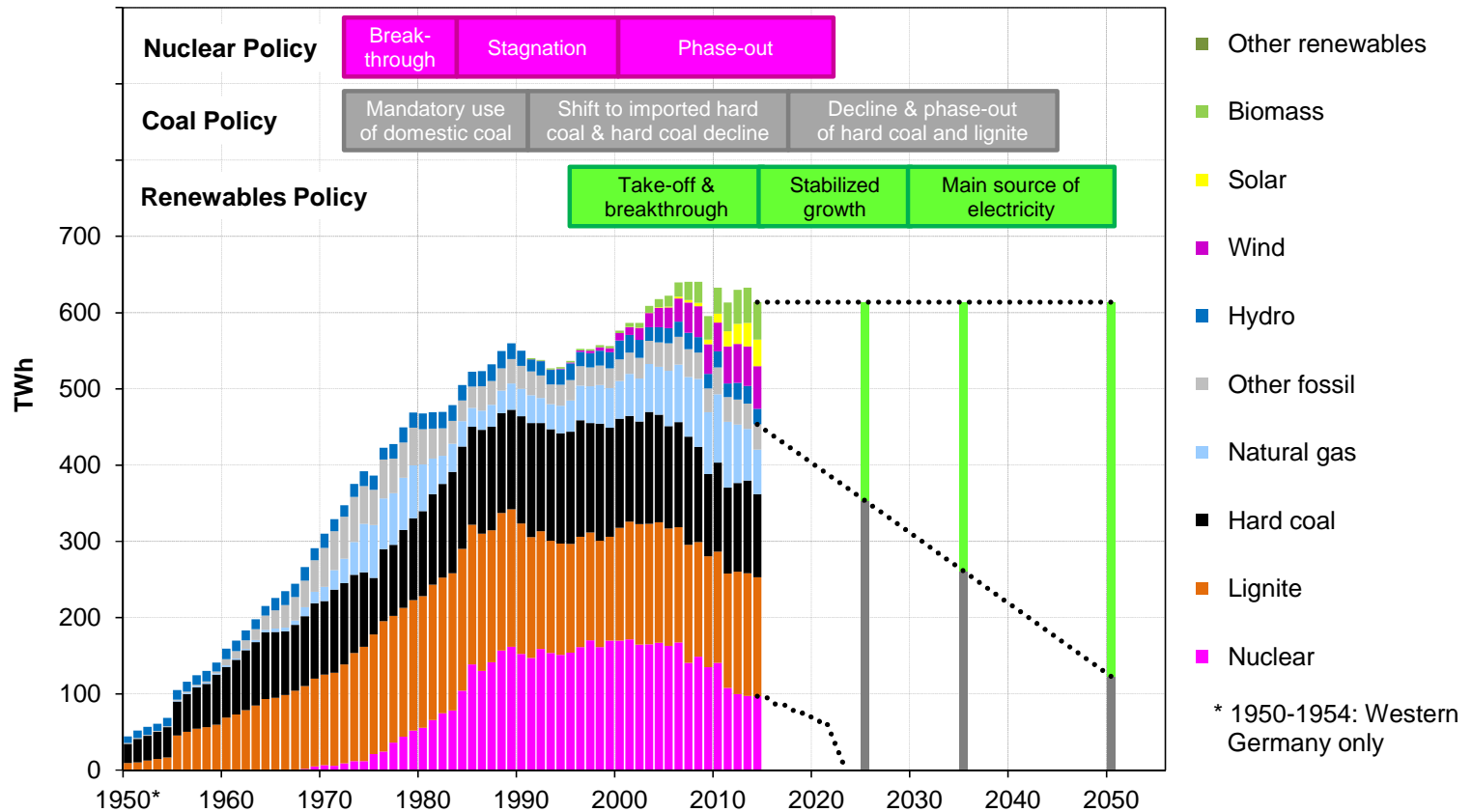
New Energy Market Design

European Parliament, ITRE Committee
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- Director -



A changing electricity system (e.g. Germany)



Source: Öko-Institut, 2015

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Internal electricity market in Europe: recent progress

- Third European Energy Package (2009):
 - Effective ownership unbundling
 - Independent transmission system operator (TSO)
 - Energy regulatory authorities
- EU 2030 framework for climate and energy policies (2015)
 - €5,85 billion budget for energy infrastructure
 - Electricity transmission lines qualify for PCIs
 - Smart grids

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Components for a new energy market design I

- New system approach: renewable energy and energy efficiency as centre piece for a new stable, secure, affordable and democratic EU energy system
- Promotion of all renewable energy sources and technologies
- Decentralised energy system with multitude of independent power producers, paired with large scale RES provider
 - Prosumers and self-consumption
 - Empowerment of consumers (households, cooperatives, SMEs)
- Reinforcement of, interconnection transmission and distribution infrastructure where necessary
- Increased flexibility of energy production

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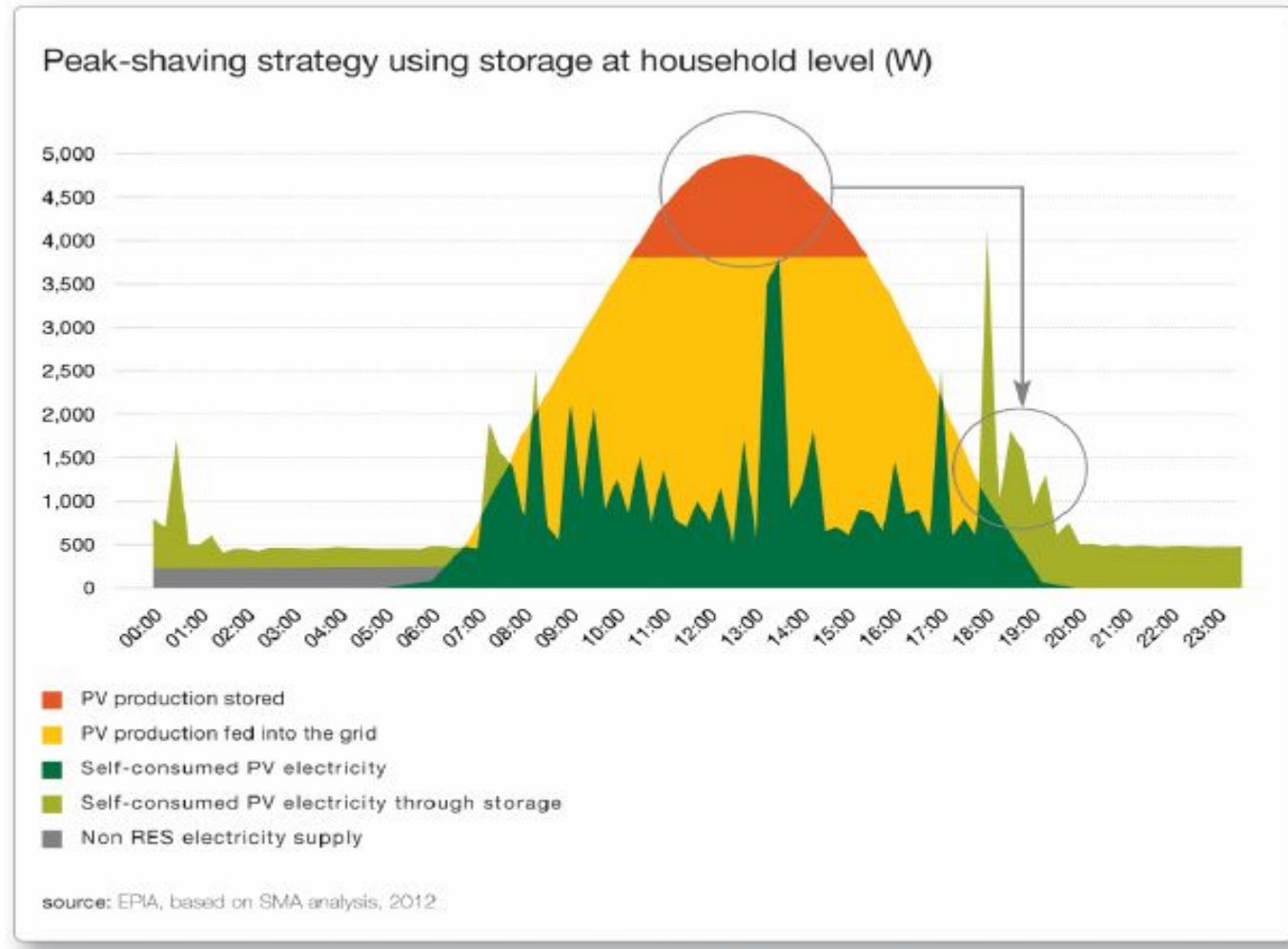


Components for a new energy market design II

- Fully functioning intraday and common balancing markets (no capacity markets)
- Structured phase out plans for ageing nuclear and coal capacity in the various Member States as progressive task needed; use of dedicated structural fund regulations – a societal tasks similar to industry structural change e.g. in shipbuilding in the past
- Further developed interaction between sectors power- heating and cooling- transport
- Priority dispatch for renewables to be continued until over-capacity from nuclear and coal as well as harmful capacity markets are phased out and full internalization of externalities from coal and nuclear on the energy price is ensured and emission trading works
- Continued national support schemes for renewables
- No retrospective and retroactive measures against existing renewable energy projects – no green light for operational programmes for countries who still use retroactive changes

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Source: Solar Power Europe, 2015

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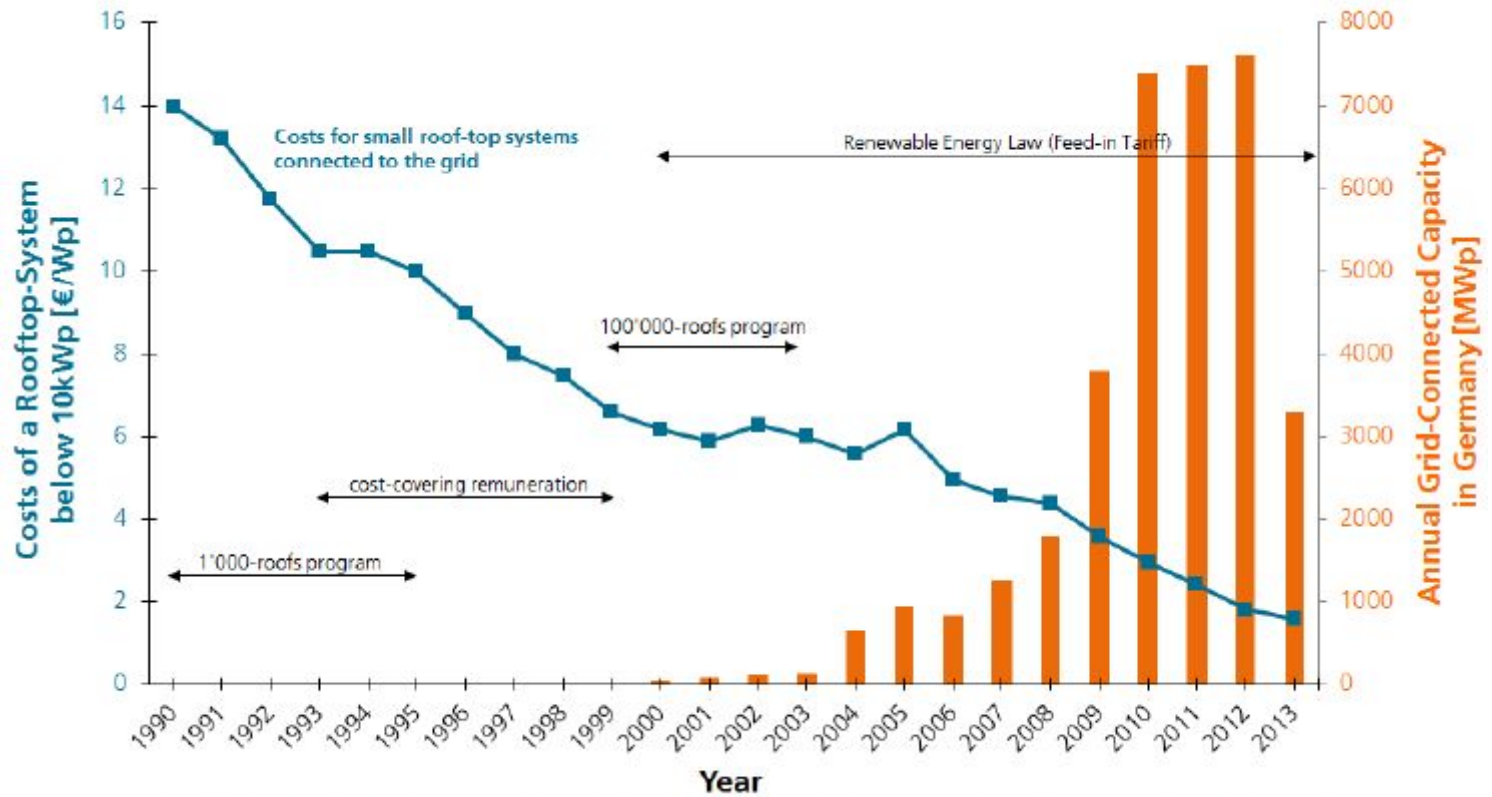


How to install renewables in a cost effective way

- Dedicated long-term commitment to 2050 EU goal and international commitments (investment security)
- No retrospective and retroactive measures against existing renewable energy projects
- Priority dispatch for renewables
- Decentralised system and use of all renewables
- Access to cheap capital
- Reduced administrative and financial burdens for renewables
 - Time to get permits and planning (one-stop-shop)
 - Taxes and levies
- Economy of scale
- Technical innovation

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Source: Fraunhofer Institute for Solar Energy Systems ISE, Photovoltaics Report, 24 October 2014

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Thank you for your attention!

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