

**Question for written answer E-003916/2021
to the Commission**

Rule 138

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Subject: Spiralling household electricity costs in Spain

In practice, the 'marginal price matching mechanism' used for power capacity auctioning purposes means that top prices are quoted for all energy sources, making renewables (including hydropower) the cheapest and natural gas, the marginal source most widely used in Spain, the most expensive. On 15 August 2021 for example, only 18% of energy was generated by combined cycle plants (using natural gas) at an average price of EUR 110.02/MWh, compared with 21% in 2020 at an average cost of EUR 31.55/MWh. The rise in consumer prices this summer has reached record levels in Spain and power companies, far from optimising their production, are instead 'drastically reducing' water levels in the reservoirs of Ricobayo (Zamora) and Valdecañas (Cáceres), both operated by Iberdrola.

1. Does the Commission consider such practices to be a form of speculation in the energy sector? How is it planning to curb or regulate such practices within the EU?
2. Does it believe that fixed prices for nuclear power, as in France, and the conclusion of contracts with maximum prices for hydroelectric power are reasonable measures to adopt with a view to preventing an increase in lighting costs?