Question for written answer E-004175/2021 to the Commission Rule 138 Jordi Cañas (Renew)

Subject: The impact of draining reservoirs on the Spanish and European electricity model

Europe's electricity market is facing a barrage of challenges relating to climate change. Despite the potential for cheaper energy with the introduction of renewables and the promotion of cross-border competition, the high electricity prices in Spain are still being keenly felt by consumers and firms in the bills they are paying.

With that in mind it is extremely worrying that reservoirs are being drained in the economic interests of certain electricity companies, which are taking advantage of an inefficient model based on a marginal pricing system.

This large-scale draining has had a significant environmental, social and economic impact across a swathe of municipalities in rural Spain, for whom water is the main driver of the economy. It has even led to problems with the supply of drinking water.

- 1. What is the Commission's view of the social, economic and environmental problems arising from the large-scale drainage of reservoirs by electricity companies seeking to obtain illegitimate profits and taking advantage of the current high prices per kilowatt being obtained at power auctions?
- 2. What steps will the Commission take to resolve the current shortcomings in the system, moving towards a socially, environmentally and economically sustainable European electricity model that does not punish consumers or penalise businesses for being competitive?