

EN

E-005074/2021

Answer given by Ms Simson
on behalf of the European Commission
(11.2.2022)

Following the issues regarding the marginal pricing model raised by Spain and other Member States, the Commission asked the Agency for the Cooperation of Energy Regulators (ACER) to assess the matter, in the context of the Commission's Communication on a toolbox referred to hereunder. In its preliminary report¹, ACER supports the current market model and does not identify it as a factor for today's high electricity prices. If the final study finds drawbacks in the market design, the Commission will study how to tackle them.

The Commission believes that the current system is efficient and power producers have an incentive to reduce their costs and bid as low as possible in order to be dispatched. It also facilitates the clean energy transition: renewables get the market price, so there is less need for public incentives for clean energy investment. Market coupling would not function for a Member State that moves away from market-based pricing. This would fragment the EU electricity market and have consequences for the decarbonisation, security and resilience of the system. It would come at a great cost: today market coupling delivers more than EUR 1 billion of benefits to end-consumers per year².

To mitigate the impact of price spikes on consumers, the Commission has adopted a Communication³ setting out a toolbox of measures. Short-term measures include direct support or tax and levy reductions, grid disconnection safeguards or deferral of payments. In the medium-term, investments in energy efficiency and renewables are key to reduce energy consumption and costs.

¹ ACER Preliminary Assessment of Europe's high energy prices and the current wholesale electricity market design, November 2021 <https://www.acer.europa.eu/events-and-engagement/news/acer-submits-european-commission-its-preliminary-assessment-europes-high>

² According to the ACER Preliminary Assessment of Europe's high energy prices and the current wholesale electricity market design, November 2021

³ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions Tackling rising energy prices: a toolbox for action and support. The Communication and support documents can be found here: https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5204