



2023/0077(COD)

25.5.2023

AMENDMENTS 187 - 406

Draft report
Nicolás González Casares
(PE747.032v01-00)

Amending Regulations (EU) 2019/943 and (EU) 2019/942 as well as Directives (EU) 2018/2001 and (EU) 2019/944 to improve the Union's electricity market design

Proposal for a regulation
(COM(2023)0148 – C9-0049/2023 – 2023/0077(COD))

Amendment 187

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Citation 1 a (new)

Text proposed by the Commission

Amendment

Having regard to the Treaty establishing the European Atomic Energy Community (EURATOM), and in particular Article 2 c thereof,

Or. en

Justification

In its Judgment Austria v Commission (Case T-356/15), and the subsequent Appeal, the European Court of Justice confirms that (101)"[...] the provisions of the Euratom Treaty are in full force and [...] continue to have full legal effect. [...]". The Court holds in (33) of the Appeal decision that "Article 2(c) of that Treaty provides that, in order to perform its task, the Community is to 'facilitate investment and ensure, particularly by encouraging ventures on the part of undertakings, the establishment of the basic installations necessary for the development of nuclear energy in the Community'. Furthermore, Articles 40 and 41, read in conjunction with point 11 of Annex II to the Treaty, which relate to investment in the nuclear field, show that investment in new installations or the replacement of nuclear reactors of all types and for all purposes is envisaged by the Treaty. It follows that the objectives pursued by the Euratom Treaty cover the construction of nuclear power stations or the creation of new nuclear energy generating capacity. " The Euratom lex specialis is therefore applicable in the context of investment support for nuclear energy. The present proposal for Regulation in Article 1, Article 19b, § 1 states "Direct price support schemes for new investments for the generation of electricity from [...] (e) nuclear energy;" falls in the remit of the Euratom Treaty, thus reference to it should be added. Alternatively, the provisions relating to investments in nuclear energy should be removed from the present regulation and be brought into a new legislative proposal under the Euratom legal base.

Amendment 188

Christophe Grudler, Valérie Hayer

Proposal for a regulation

Recital 1

Text proposed by the Commission

Amendment

(1) Very high prices and volatility in electricity markets have been observed

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since September 2021. As set out by the European Agency for the Cooperation of Energy Regulators ('ACER') in its April 2022 assessment of EU wholesale electricity market design¹⁷, this is mainly a consequence of the high price of gas, which is used as an input to generate electricity.

¹⁷ European Union Agency for the Cooperation of Energy Regulators, ACER's Final Assessment of the EU Wholesale Electricity Market Design, April 2022.

since September 2021. As set out by the European Agency for the Cooperation of Energy Regulators ('ACER') in its April 2022 assessment of EU wholesale electricity market design¹⁷, this is mainly a consequence of the high price of gas, which is used as an input to generate electricity. ***Additional factors such as, maintenance, corrosion problems or outages experienced in various production plants further amplified the increase in electricity prices.***

¹⁷ European Union Agency for the Cooperation of Energy Regulators, ACER's Final Assessment of the EU Wholesale Electricity Market Design, April 2022.

Or. en

Amendment 189

Michael Bloss

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Very high prices and volatility in electricity markets have been observed since September 2021. As set out by the European Agency for the Cooperation of Energy Regulators ('ACER') in its April 2022 assessment of EU wholesale electricity market design¹⁷, this is mainly a consequence of the high price of gas, which is used as an input to generate electricity.

¹⁷ European Union Agency for the Cooperation of Energy Regulators, ACER's Final Assessment of the EU

Amendment

(1) Very high prices and volatility in electricity markets have been observed since September 2021. As set out by the European Agency for the Cooperation of Energy Regulators ('ACER') in its April 2022 assessment of EU wholesale electricity market design¹⁷, this is mainly a consequence of the ***gas supply crisis, the high price of gas, the unreliability of nuclear power and low hydropower availability during summer***, which is used as an input to generate electricity.

¹⁷ European Union Agency for the Cooperation of Energy Regulators, ACER's Final Assessment of the EU

Amendment 190

Marina Measure, Marc Botenga

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Very high prices and volatility in electricity markets have been observed since *September* 2021. *As set out by the European Agency for the Cooperation of Energy Regulators ('ACER') in its April 2022 assessment of EU wholesale electricity market design*¹⁷, this is mainly a consequence of the high price of gas, *which is* used as an input to generate electricity.

Amendment

(1) Very high prices and volatility in electricity markets have been observed since *July* 2021. This is mainly a consequence of the *design of the liberalised energy market. Additional factors such as the* high price of gas used as an input to generate electricity, *and maintenance, corrosion problems and outages experienced in several nuclear reactors further amplified the increase in electricity prices.*

¹⁷ *European Union Agency for the Cooperation of Energy Regulators, ACER's Final Assessment of the EU Wholesale Electricity Market Design, April 2022.*

Justification

The energy crisis and its impact on citizens would not have been the same with a price fixing mechanism that does not depend on the price of gas.

Amendment 191

Marina Measure, Manon Aubry, Emmanuel Maurel, Marc Botenga

Proposal for a regulation

Recital 1 a (new)

(1a) *As expressed by the President of the European Commission Ursula van der Leyen^{1a}, the skyrocketing electricity prices exposed the limitations of the current market design, and there is a need for a structural reform of the electricity market. The high prices of electricity depend of the expensive fossil-based (gas and coal) electricity production as it is based on an algorithm that rely on a discriminatory marginal pricing system where the actual production cost of electricity is not being taken into account. The reform should prepare the ground for other price formulation system, which should reflect the average production costs to avoid speculation and unjust windfall profit.*

*^{1a} European Parliament Plenary session
08/06/202 - Conclusions of the special
European Council meeting of 30-31 May
20222*

Or. en

Justification

The market design itself needs to be reshaped to ensure a better correlation with the productions costs and the selling price of electricity

Amendment 192
Sandra Pereira

Proposal for a regulation
Recital 1 a (new)

(1a) *It is necessary to put an end to energy policies based on liberalisation of the sector, re-establish public ownership and strategic state control over the key energy undertakings that have been privatised and restore high-quality public*

energy services and national, democratic planning of the development of the energy system on the basis of solidarity and international cooperation.

Or. pt

Amendment 193
Sandra Pereira

Proposal for a regulation
Recital 1 b (new)

Text proposed by the Commission

Amendment

(1b) There is an urgent need to protect consumers in the face of rising energy prices and to combat volatility and lack of transparency in the price formation process.

Or. pt

Amendment 194
Sandra Pereira

Proposal for a regulation
Recital 1 c (new)

Text proposed by the Commission

Amendment

(1c) The scale of the energy and socio-economic crisis, of which there were already clear signs in the post-pandemic period, demonstrates the urgent need for intervention and measures such as price containment through regulation based inter alia on public and common interest criteria.

Or. pt

Amendment 195

Sandra Pereira

Proposal for a regulation

Recital 1 d (new)

Text proposed by the Commission

Amendment

(1d) *Energy price increases have escalated on the wholesale electricity market since 2021, with extremely adverse social and economic consequences.*

Or. pt

Amendment 196

Sandra Pereira

Proposal for a regulation

Recital 1 e (new)

Text proposed by the Commission

Amendment

(1e) *Much of the problem of rising energy prices stems from the liberalised market and its speculative nature.*

Or. pt

Amendment 197

Sandra Pereira

Proposal for a regulation

Recital 1 f (new)

Text proposed by the Commission

Amendment

(1f) *There is a need to fundamentally change the marginal pricing system in the day-ahead market, which determines that the most expensive technology – usually gas – sets the price for other forms of energy production. That pricing system not only fails to guarantee that the impact of fossil fuel prices on electricity bills is reduced, but also aims to safeguard the*

interests of the large economic groups operating in the sector, in particular by extending the duration of contracts.

Or. pt

Amendment 198
Michael Bloss

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) The escalation of the Russian military aggression against Ukraine, a Contracting Party of the Energy Community, and related international sanctions since February 2022 have disrupted global energy markets, exacerbated the problem of high gas prices, and have had significant knock-on impacts on electricity prices. The Russian invasion of Ukraine has also caused uncertainty on the supply of other commodities, such as hard coal and crude oil, used by power-generating installations. This has resulted in substantial additional increases in the volatility of price levels of electricity.

Amendment

(2) The escalation of the Russian military aggression against Ukraine, a Contracting Party of the Energy Community, and related international sanctions since February 2022 have disrupted global energy markets, exacerbated the problem of high gas prices, and have had significant knock-on impacts on electricity prices. The *unjustified* Russian *full-scale* invasion of Ukraine has also caused uncertainty on the supply of other *fossil energy* commodities, such as hard coal and crude oil, used by power-generating installations. This has resulted in substantial additional increases in the volatility of price levels of electricity.

Or. en

Amendment 199
Michael Bloss

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) In response to this situation, the Communication on Energy Prices presented by the Commission in October 2021 contained a toolbox of measures that

Amendment

(3) In response to this situation, the Communication on Energy Prices presented by the Commission in October 2021 contained a toolbox of measures that

the EU and its Member States may use to address the immediate impact of high energy prices on households and businesses (including income support, tax breaks, gas savings and storage measures) and to strengthen resilience against future price shocks. In its Communication of 8 March 2022 entitled ‘REPowerEU: Joint European Action for more affordable, secure and sustainable energy’¹⁸ the Commission outlined a series of additional measures to strengthen the toolbox and to respond to rising energy prices. On 23 March 2022, the Commission also established a temporary State Aid regime to allow certain subsidies to soften the impact of high energy prices.¹⁹

the EU and its Member States may use to address the immediate impact of high energy prices on households and businesses (including income support, tax breaks, gas *savings, and energy* savings and storage measures) and to strengthen resilience against future price shocks. In its Communication of 8 March 2022 entitled ‘REPowerEU: Joint European Action for more affordable, secure and sustainable energy’¹⁸ the Commission outlined a series of additional measures to strengthen the toolbox and to respond to rising energy prices. On 23 March 2022, the Commission also established a temporary State Aid regime to allow certain subsidies to soften the impact of high energy prices.¹⁹

¹⁸ 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 - REPowerEU: Joint European Action for more affordable, secure and sustainable energy, COM/2022/108 final

¹⁹ Communication from the Commission Temporary Crisis Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia C 131 I/01, C/2022/1890.

¹⁸ 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 - REPowerEU: Joint European Action for more affordable, secure and sustainable energy, COM/2022/108 final

¹⁹ Communication from the Commission Temporary Crisis Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia C 131 I/01, C/2022/1890.

Or. en

Amendment 200

Christophe Grudler, Susana Solís Pérez, Valérie Hayer

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) On 18 May 2022 the Commission presented the REPowerEU plan²⁰ that introduced additional measures focusing on

Amendment

(4) On 18 May 2022 the Commission presented the REPowerEU plan²⁰ that introduced additional measures focusing on

energy savings, diversification of energy supplies and accelerated roll-out of renewable energy aiming at ending the Union's dependency on Russian fossil fuels, including a proposal to increase the Union's 2030 target for renewables to 45%. Furthermore, the Communication on Short-Term Energy Market Interventions and Long-Term Improvements to the Electricity Market Design²¹, in addition to setting out additional short-term measures to tackle high energy prices identified potential areas for improving the electricity market design and announced the intention to assess these areas with a view to change the legislative framework.

²⁰ 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 - REPowerEU Plan, COM(2022)230.

²¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Short-Term Energy Market Interventions and Long Term Improvements to the Electricity Market Design – a course for action, COM(2022) 236 final.

energy savings, diversification of energy supplies and accelerated roll-out of renewable energy **and other fossil-free solutions** aiming at ending the Union's dependency on Russian fossil fuels, including a proposal to increase the Union's 2030 target for renewables to 45%. Furthermore, the Communication on Short-Term Energy Market Interventions and Long-Term Improvements to the Electricity Market Design²¹, in addition to setting out additional short-term measures to tackle high energy prices identified potential areas for improving the electricity market design and announced the intention to assess these areas with a view to change the legislative framework.

²⁰ 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 - REPowerEU Plan, COM(2022)230.

²¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Short-Term Energy Market Interventions and Long Term Improvements to the Electricity Market Design – a course for action, COM(2022) 236 final.

Or. en

Amendment 201

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) A well-integrated market which builds on the Clean Energy for all Europeans Package adopted in 2018 and

Amendment

deleted

2019²⁶ should allow the Union to reap the economic benefits of a single energy market in normal market circumstances, ensuring security of supply and sustaining the decarbonisation process. Cross-border interconnectivity also ensures safer, more reliable and efficient operation of the power system.

²⁶ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, OJ L 328, 21.12.2018, p. 1; Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast), OJ L 328, 21.12.2018, p. 82; Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, OJ L 328, 21.12.2018, p. 210; Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast), OJ L 158, 14.6.2019, p. 22; Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 54; Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 125.

Or. en

Justification

The single market has proven to be unable to reflect the production cost of electricity and provide affordable prices at all time for consumers

Amendment 202

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) A well-integrated market which builds on the Clean Energy for all Europeans Package adopted in 2018 and 2019²⁶ should allow the Union to reap the economic benefits of a single energy market in normal market circumstances, ensuring security of supply and sustaining the decarbonisation process. Cross-border interconnectivity also ensures safer, more reliable and efficient operation of the power system.

²⁶ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, OJ L 328, 21.12.2018, p. 1; Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast), OJ L 328, 21.12.2018, p. 82; Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, OJ L 328, 21.12.2018, p. 210; Regulation (EU) 2019/942 of the European

Amendment

(6) A well-integrated market which builds on the Clean Energy for all Europeans Package adopted in 2018 and 2019²⁶ should allow the Union to reap the economic benefits of a single energy market in normal market circumstances, ensuring security of supply and sustaining the decarbonisation process. Cross-border interconnectivity also ensures safer, more reliable and efficient operation of the power system. ***To this end, the Commission should consider how to improve monitoring and enforcement of the 2019 Electricity Market Regulations, including the obligation to make 70% of interconnector capacity available for cross-border trade. Furthermore, the Commission should consider to increase the 70% obligation, and limit possible derogations, to make the electricity market fit for an energy system primarily based on renewable energy, which merits a need for better interconnection to sustain a high security of supply.***

²⁶ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, OJ L 328, 21.12.2018, p. 1; Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast), OJ L 328, 21.12.2018, p. 82; Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, OJ L 328, 21.12.2018, p. 210; Regulation (EU) 2019/942 of the European

Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast), OJ L 158, 14.6.2019, p. 22; Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 54; Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 125.

Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast), OJ L 158, 14.6.2019, p. 22; Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 54; Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 125.

Or. en

Amendment 203

Michael Bloss

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) A well-integrated market which builds on the Clean Energy for all Europeans Package adopted in 2018 and 2019²⁶ should allow the Union to reap the economic benefits of a single energy market in normal market circumstances, ensuring security of supply and **sustaining the decarbonisation process**. Cross-border interconnectivity also ensures safer, more reliable and efficient operation of the power system.

²⁶ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, OJ L 328, 21.12.2018, p. 1; Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast), OJ L 328, 21.12.2018, p. 82; Directive (EU)

Amendment

(6) A well-integrated market which builds on the Clean Energy for all Europeans Package adopted in 2018 and 2019²⁶ should allow the Union to reap the economic benefits of a single energy market in normal market circumstances, ensuring security of supply and **achieving the climate neutrality target**. Cross-border interconnectivity also ensures safer, more reliable and efficient operation of the power system.

²⁶ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, OJ L 328, 21.12.2018, p. 1; Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast), OJ L 328, 21.12.2018, p. 82; Directive (EU)

2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, OJ L 328, 21.12.2018, p. 210; Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast), OJ L 158, 14.6.2019, p. 22; Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 54; Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 125.

2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, OJ L 328, 21.12.2018, p. 210; Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast), OJ L 158, 14.6.2019, p. 22; Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 54; Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (recast), OJ L 158, 14.6.2019, p. 125.

Or. en

Amendment 204

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) Strengthening the energy internal market and achieving the climate and energy transition objectives require a substantial upgrade of the EU's electricity network to be able to host substantial increases of renewable capacity, variability on generation amounts, changing electricity flow patterns across Europe and new demand such as electric vehicles and heat pumps. Investments in grids are crucial to the well-functioning of the internal market, to the integration of renewable energy, to support security of supply and to effectively connect energy supply and demand in a context where those locate further apart, and the deliverance and EU climate and energy

targets require efficient resource use within and across borders. Already by 2030, the EU requires EUR 584 billion investments to cover the needs in electricity grids alone, both transmission and distribution. The challenge is particularly notable at distribution level, given the growing amount of renewable generation capacity connected to distribution grids, which will connect most new renewable projects, and the developments towards the electrification and smartening of energy demand. A failure to expand, upgrade and smarten the distribution grids accordingly could put at risk delivering on the EU's renewable targets, delaying the connection to the network of new renewable capacities; could hamper the possibility for consumers to become active players of the energy transition; and ultimately delay the completion of the internal energy market.

Or. en

Amendment 205
Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) *Member States, through public investments and the implementation of sufficiency policies, which are measures and daily practices that avoid demand for energy while delivering human well-being for all within planetary boundaries^{1a}, can empower consumers so that they are able to actively participate in the flexibility necessary to adapt our energy system to renewable electricity generation.*

^{1a} *IPCC, AR6, WG3 Mitigation of Climate*

Change

Or. en

Justification

The IPCC supports sufficiency policies to address climate change, and MS should implement such policies to avoid that flexibility in consumption turns into energy poverty.

Amendment 206

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Markus Pieper, Seán Kelly, Pernille Weiss, Christian Ehler, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 6 b (new)

Text proposed by the Commission

Amendment

(6b) An inter-connected European electricity network is essential for European security of supply and competitiveness, as well as for better achieving the decarbonisation targets to which the Union has committed to facilitate affordable, safe and sustainable energy. Therefore, any reform of the EU's electricity market should be an evaluation and contribution towards a more integrated European electricity network. It is particularly important to make sure that each country has in place electricity cables that allow at least 15% of the electricity produced on its territory to be transported across its borders to neighbouring countries. This is particularly important for Iberian Peninsula and for other European regions which need to extend their grid interconnections, but whose progresses are still slow and challenged by several aspects. To this end, the Union and Member States should cooperate in view of removing barriers, facilitate financing and accelerating all procedures to ensure that the minimum 15% electricity interconnection target set out in Article 4,

*point (d)(1), of Regulation (EU)
2018/1999 is met.*

Or. en

Amendment 207

**Maria da Graça Carvalho, Pilar del Castillo Vera, Lara Comi, Massimiliano Salini,
Seán Kelly, Pernille Weiss, Christian Ehler, Aldo Patriciello, Angelika Winzig**

Proposal for a regulation

Recital 6 c (new)

Text proposed by the Commission

Amendment

(6c) The increase and prioritization of Union funding for energy infrastructure should be a core element of the upcoming MFF mid-term review, where options for boosting and aligning relevant instruments, including the energy envelope of the Connection Europe Facility, should be a matter of priority. In this regard, special attention should be put on making ample room for financing of infrastructure projects that have wider EU benefits.

Or. en

Amendment 208

**Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi,
Seán Kelly, Pernille Weiss, Christian Ehler, Aldo Patriciello, Angelika Winzig**

Proposal for a regulation

Recital 6 d (new)

Text proposed by the Commission

Amendment

(6d) Building and upgrading the Union's electricity network and connectivity infrastructure, such as the projects of common European interest (PCIs) as established by the framework concerning the Trans-European Networks for Energy, including through submarine

cables, can contribute to connect remote areas and islands, thus providing adequate connectivity to all EU citizens. An appropriate investment in revitalising isolated territories, such as islands and rural areas, can bring major opportunities to citizens and enterprises to participate in the energy transition and the digital transformation of the Union. Special consideration should be made to the European outermost regions, in accordance with Article 349 of the Treaty on the Functioning of the Union, which recognises their specific constraints and provides for the adoption of specific measures in their regard.

Or. en

Amendment 209

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Pernille Weiss, Christian Ehler, Aldo Patriciello, Angelika Winzig, Seán Kelly

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems. At the same time, there is a need to respect consumer choices and allow consumers to benefit from a variety of contract offers.

Amendment

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems. At the same time, there is a need to respect consumer choices and allow consumers to benefit from a variety of contract offers. ***Energy system integration should be intended as the***

planning and operation of the energy system as a whole, across multiple energy carriers, infrastructures, and consumption sectors, by creating stronger links between them and utilising multi-fuel, multi-generation, including cogeneration or trigeneration, hybrid solutions, as well as all types of storage, aggregation and controls, in synergy with each other and supported by digitalisation with the objective of delivering affordable, reliable and resource-efficient energy services, at the least possible cost for society.

Or. en

Amendment 210

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems. ***At the same time, there is a need to respect consumer choices and allow consumers to benefit from a variety of contract offers.***

Amendment

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems.

Or. en

Justification

Customers need to be offered simple and affordable electricity contracts.

Amendment 211

Michael Bloss

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems. At the same time, there is a need to respect consumer choices and allow consumers to benefit from a variety of contract offers.

Amendment

(7) The current electricity market design has also helped the emergence of new and innovative products, services and measures on retail electricity markets, supporting energy efficiency and renewable energy uptake and enhancing choice so as to help consumers reduce their energy bills also through small-scale generation installations and emerging services for providing demand response. Building on and seizing the potential of the digitalisation of the energy system, such as active participation by consumers, should be a key element of our future electricity markets and systems. At the same time, there is a need to respect consumer choices, ***shield household consumers from high prices, disconnections, manipulation and abuse*** and allow consumers to benefit from a variety of contract offers.

Or. en

Amendment 212

Tiziana Beghin

Proposal for a regulation

Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) On 25 February 2015 the Commission presented a Framework Strategy for a Resilient Energy Union

with a Forward- Looking Climate Change Policy that proposed to put citizens at its core, where citizens take ownership of the energy transition, benefit from new technologies to reduce their bills, participate actively in the market, and where vulnerable consumers are protected. As the price crisis has demonstrated, local ownership of production of renewable energy has the potential to contribute to long-term security of supply at the local level, and to provide citizens with the ability to control the cost of the renewable energy they consume. It is thus essential to ensure that citizens are able to take ownership of local potential for production and storage of renewable energy as well as access local infrastructure and obtain a grid connection. Citizens may do so individually or collectively, particularly through municipalities and locally controlled renewable energy communities and citizen energy communities. Supporting such initiatives will help to end dependency on imported fossil fuels, lower consumers energy bills, achieve a decentralised, flexible and decarbonised power system, alleviate energy poverty and empower citizens and communities in the energy transition.

Or. en

Justification

REPower EU will result in an unprecedented installation of renewable energy facilities. In order to ensure public acceptance, citizens and their communities need to be able to take ownership of facilities and benefit from this development. With the expansion of energy sharing, it is essential to provide a legal basis for public authorities to put in place policies and measures to ensure that local citizens can use local public energy infrastructure to benefit from the energy transition.

Amendment 213

Marina Mesure, Manon Aubry, Emmanuel Maurel, Marc Botenga

Proposal for a regulation

Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) Electricity is a universal service of general economic interest and is vital to maintaining a decent standard of living to protect people's dignity and integrity as required by Article 3 of the Charter of the Fundamental Rights of the European Union. It provides essential functions such as adequate and clean heating, hot water, cooling, lighting, cooking, and powering appliances. The Union recognises that people have a right to energy as a universal service in line with Article 36 of the Charter of the Fundamental Rights of the European Union and Principle 20 of the European Pillar of Social Rights to fully ensure realisation of the Sustainable Development Goal 7 that the Union committed itself at the United Nations Summit on Sustainable Development on 25 September 2015 to implementing the resolution containing the outcome document entitled 'Transforming our world: the 2030 Agenda for Sustainable Development'. Therefore Member States shall guarantee planning and financing policies are needed to provide affordable and decarbonised electricity to all consumers. Therefore, electricity should be considered as common good and as such all citizens of the European Union should be entitled an affordable access as a fundamental right.

Or. en

Justification

Energy and in particular electricity is basic human right, providing essential function for a decent life. Even if in the EU citizens have in principle access to electricity, it can be unfairly distributed, especially amongst vulnerable customers, whom can be confronted to choosing between heating their home or eating. This is against the basic principles outlined in the Declaration of Human Rights, promoting equality and the right to an adequate standard of living to promote health and well-being.

Amendment 214
Michael Bloss

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) A faster deployment of renewable energy and clean flexible technologies constitutes the most sustainable and cost-effective way of structurally reducing the demand for fossil fuels for electricity generation and for direct consumption through electrification and energy system integration. Thanks to their low operational costs, renewable sources can positively impact electricity prices across the Union and reduce **direct** consumption of fossil fuels.

Amendment

(9) A faster deployment of renewable energy and clean flexible technologies constitutes the most sustainable and cost-effective way of structurally reducing the demand for fossil fuels for electricity generation and for direct consumption through electrification and energy system integration. Thanks to their low operational costs, renewable sources can positively impact electricity prices across the Union and reduce consumption of fossil fuels.

Or. en

Amendment 215
Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation
Recital 10

Text proposed by the Commission

(10) The changes to the electricity market design should ensure that the benefits from rising renewable power deployment, and the energy transition as a whole, are brought to consumers, including the most vulnerable ones, and ultimately, shield them from energy crises and avoid more households falling into energy poverty trap. These should mitigate the impact of **high** fossil fuel prices, notably that of gas, on electricity prices, aiming to allow households and companies to reap the benefits of affordable and secure

Amendment

(10) The changes to the electricity market design should ensure that the benefits from rising renewable power deployment, and the energy transition as a whole, are brought to consumers, including the most vulnerable ones, and ultimately, shield them from energy crises and avoid more households falling into energy poverty trap. These should mitigate the impact of **higher energy system costs, including fossil and renewable** fuel prices, notably that of gas, on electricity prices, aiming to allow households and companies

energy from sustainable renewable and low carbon sources in the longer term.

to reap the benefits of affordable and secure energy from sustainable renewable and low carbon sources in the longer term, ***as well as the role of energy efficient solutions in reducing overall energy costs, which may reduce the need for power grid and generation capacity expansion.***

Or. en

Amendment 216

Michael Bloss

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The changes to the electricity market design should ensure that the benefits from rising renewable power deployment, and the energy transition as a whole, are brought to consumers, including the most vulnerable ones, and ultimately, shield them from energy crises and avoid more households falling into energy poverty trap. These should mitigate the impact of high fossil fuel prices, notably that of gas, on electricity prices, aiming to allow households and companies to reap the benefits of affordable and secure energy from sustainable renewable ***and low carbon*** sources ***in the longer term.***

Amendment

(10) The changes to the electricity market design should ensure that the benefits from rising renewable power deployment, and the energy transition as a whole, are brought to consumers, including the most vulnerable ones, and ultimately, shield them from energy crises and avoid more households falling into energy poverty trap. These should mitigate the impact of high fossil fuel prices, notably that of gas, on electricity prices, aiming to allow households and companies to reap the benefits of affordable and secure energy from sustainable renewable sources.

Or. en

Amendment 217

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Markus Pieper, Henna Virkkunen, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The reform of the electricity market design should benefit not just household consumers but also the competitiveness of the Union's industries by facilitating their possibilities to make the clean tech investments they require to meet their net zero transition paths. The energy transition in the Union needs to be supported by a strong clean technology manufacturing basis. These reforms will support **the** affordable electrification **of industry** and the Union's position as a global leader in terms of research and innovation in clean energy technologies.

Amendment

(11) The reform of the electricity market design should benefit not just household consumers but also the competitiveness of the Union's industries by facilitating their possibilities to make the clean tech investments they require to meet their net zero transition paths. The energy transition in the Union needs to be supported by a strong clean technology manufacturing basis. These reforms will support **industry to secure their access to affordable and continuous supply of clean power and heat, including via renewable and smart electrification, on-site renewables and high efficiency cogeneration uptake**, and the Union's position as a global leader in terms of research and innovation in clean energy technologies.

Or. en

Amendment 218

Angelika Niebler, Markus Pieper, Christian Ehler

Proposal for a regulation

Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) High electricity prices have a particularly negative impact on the competitiveness of energy-intensive sectors that operate internationally, face significant global competition, and face, thus, a risk of carbon leakage. At the same time, the European Union has to ensure affordable electricity prices for energy-intensive sectors to secure jobs in these sectors and facilitate their green transition and decarbonisation. Therefore, the European Commission is asked to introduce a mechanism guaranteeing a price ceiling for energy-intensive industries in order to compete globally. Alternatively, Member States

should be allowed to apply public interventions in price setting for a limited transitional period, such as five years, until sufficient supply of renewable power capacity is available, leading to affordable electricity prices. For this purpose, energy-intensive sectors should be those listed in the Guidelines on State aid for Climate, Environmental protection and Energy.

Or. en

Amendment 219

Jens Geier, Marek Paweł Balt, Dan Nica, Matthias Ecke

Proposal for a regulation

Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) In a transitional period, the electricity market will not be able to deliver the price levels required for the affordable electrification of the Union's industry, which is indispensable for the achievement of the Union's decarbonisation targets. Member States should, therefore, be allowed to apply public interventions in the price setting for the supply of energy-intensive industry sectors under competitive pressure on the international markets requiring electricity to decarbonise their production. Such targeted interventions can also take the form of direct support measures in line with the Guidelines on State aid for climate, environmental protection ensuring internationally competitive price levels on electricity.

Or. en

Amendment 220

Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 12

Text proposed by the Commission

Amendment

(12) Well-functioning and efficient short-term markets are a key tool for the integration of renewable energy and flexibility sources in the market and facilitate energy system integration in a cost-effective manner.

deleted

Or. en

Justification

The single market has proven to be unable to reflect the production cost of electricity and provide affordable prices at all time for consumers

Amendment 221
Seán Kelly

Proposal for a regulation
Recital 12

Text proposed by the Commission

Amendment

(12) Well-functioning and efficient short-term markets are a key tool for the integration of renewable energy and flexibility sources in the market and facilitate energy system integration in a cost-effective manner.

(12) Well-functioning and efficient short-term markets are an essential tool which underpin the integration of renewable energy and flexibility sources in the market and facilitate energy system integration in a cost-effective manner.

Or. en

Justification

Well-functioning EU electricity markets are crucial to providing revenue certainty and investor confidence for renewable generators

Amendment 222
Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) It is **therefore** important for the intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand side response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, the gate closure time of the intraday market **should be set** closer to the time of delivery **to maximize** the opportunities for market participants to trade shortages and surplus of electricity **and contribute to better integrating variable renewables in the electricity** system.

Amendment

(14) It is important for the intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand side response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, **it is essential to properly assess the possibility to shorten** the gate closure time of the intraday market **and set it** closer to the time of delivery, **in view of maximizing** the opportunities for market participants to trade shortages and surplus of electricity. **The impact on several dimensions, such as transmission system operators' operation, costs-efficiency, integration of renewable energies, system security, CO2 emissions, should be carefully assessed, in consultation with market operators, market participants and all relevant entities. On the basis of the assessment, the Commission should propose an amendment to the Commission Regulation EU 2015/1222 on Capacity Allocation and Congestion Management.**

Or. en

Amendment 223
Michael Bloss

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) It is therefore important for the

Amendment

(14) It is therefore important for the

intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand *side* response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, the gate closure time of the intraday market should be set *closer* to the time of delivery to maximize the opportunities for market participants to trade shortages and surplus of electricity and contribute to better integrating variable renewables in the electricity system.

intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, the gate closure time of the intraday market should be set *as close as possible* to the time of delivery to maximize the opportunities for market participants to trade shortages and surplus of electricity and contribute to better integrating variable renewables in the electricity system.

Or. en

Amendment 224

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) It is therefore important for the intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand *side* response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, the gate closure time of the intraday market should be set closer to the time of delivery to maximize the opportunities for market participants to trade shortages and surplus of electricity and contribute to better

Amendment

(14) It is therefore important for the intraday markets to adapt to the participation of variable renewable energy technologies such as solar and wind as well as to the participation of demand response and storage. The liquidity of the intraday markets should be improved with the sharing of the order books between market operators within a bidding zone, also when the cross-zonal capacities are set to zero or after the gate closure time of the intraday market. Furthermore, the gate closure time of the intraday market should be set closer to the time of delivery to maximize the opportunities for market participants to trade shortages and surplus of electricity and contribute to better integrating variable

integrating variable renewables in the electricity system.

renewables in the electricity system.

(This amendment applies throughout the text.)

Or. en

Amendment 225

Morten Petersen, Klemen Grošelj, Emma Wiesner, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation

Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) Member States should design their bidding zones to reflect the physical reality of the transmission grid. This is important as the electricity demand of the EU is expected to double en route to climate neutrality. Moreover, if green hydrogen is to develop into industrial scale, the need for well-designed bidding zones increases further. If green hydrogen production is placed nearby renewable energy facilities, it could ease the pressure on transmission grids. Conversely, if operators place green hydrogen production nearby consumption centres, which they are incentivized to do, if bidding zones do not reflect the physical reality, it could double the pressure on transmissions grids.

Or. en

Amendment 226

Morten Petersen, Claudia Gamon, Ivars Ijabs

Proposal for a regulation

Recital 16

Text proposed by the Commission

Amendment

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.

deleted

Or. en

Justification

Peak shaving is not needed, because it does not provide much investment incentive in demand response, it cannot be labelled as non-frequency ancillary service (as the operational security of the system is not endangered without this peak shaving) and it does not reduce electricity prices for most consumers in case of scarcity, as it reduces demand after the day ahead market.

Amendment 227

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Angelika Niebler, Henna Virkkunen, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

**Proposal for a regulation
Recital 16**

Text proposed by the Commission

Amendment

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.

deleted

Or. en

Amendment 228
Marina Measure, Marc Botenga

Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) *To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.*

Amendment

(16) *The Commission, together with ACER and ENTSO-E, should assess the impacts on the functioning of the electricity market of the introduction of peak shaving products by the transmission and distribution system operators outside electricity price crisis situations. These products should help to reduce the electricity demand and price during peak hours, while ensuring these products do not distort the functioning of the day-ahead, intraday and balancing markets and do not cause a redirection of demand response services towards peak shaving products. The assessment should also evaluate the possibility of allowing transmission and distribution system operators to own energy storage facilities, which costs should be supported through grid access tariffs.*

Or. en

Justification

Peak shaving products use in the energy market need to be assessed before implementation to

ensure that they will not distort the markets.

Amendment 229

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.

Amendment

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation in times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. ***As such the peak shaving product should specifically address small-scale assets which otherwise would stay inactive. In order to avoid simply substituting existing market products (balancing or wholesale markets), the peak shaving product must be more easily accessible to small-scale assets than in existing market products.*** The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of

activated demand reduction, the transmission system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product.

Or. en

Amendment 230

Michael Bloss

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation *in* times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction, the transmission system operator should use a

Amendment

(16) To ensure the efficient integration of electricity generated from variable renewable energy sources and to reduce the need for fossil-fuel based electricity generation *and especially starting with* times when there is high demand for electricity combined with low levels of electricity generation from variable renewable energy sources, it should be possible for transmission *and distribution* system operators to design a peak shaving product enabling demand response to contribute to decreasing peaks of consumption in the electricity system at specific hours of the day. The peak shaving product should contribute to maximize the integration of electricity produced from renewable sources into the system by shifting the electricity consumption to moments of the day with higher renewable electricity generation. As the peak shaving product aims to reduce and shift the electricity consumption, the scope of this product should be limited to demand side response. The procurement of the peak shaving product should take place in such a way that it does not overlap with the activation of balancing products which aim at maintaining the frequency of the electricity system stable. In order to verify volumes of activated demand reduction,

baseline reflecting the expected electricity consumption without the activation of the peak shaving product.

the transmission **and distribution** system operator should use a baseline reflecting the expected electricity consumption without the activation of the peak shaving product. ***The introduction of peak shaving products is without prejudice to the legal obligation to open all markets to demand response on a non-discriminatory basis.***

Or. en

Amendment 231

Morten Petersen, Claudia Gamon, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. ***However***, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Amendment

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. ***Consumers shall also have the right to receive a dedicated metering device so that they can engage with their flexible loads in demand response, independently from being already equipped with a smart metering system.*** In a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated

metering devices should be accompanied by quality requirements relating to the data.

Or. en

Amendment 232

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Amendment

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow ***and it is imperative to make sure that Member States improve the conditions for the installation of smart metering systems, with the objective of reaching a full coverage as soon as possible.*** In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Or. en

Amendment 233

Jens Geier, Marek Paweł Balt, Dan Nica, Matthias Ecke

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. *However*, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should **be able to** use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Amendment

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. **Consumers shall also have the right to receive a dedicated metering device, independently from being already equipped with a smart metering system.** In a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Or. en

Justification

Consumers should be able to sign up a separate dynamic price contract for devices that can be operated flexibly (e.g. heat pumps or electric vehicles). To this end, consumers should have the right to request a sub-meter, which should be provided to them without them being subject to disproportionate installation fees and network charges.

Amendment 234

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow. ***In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not*** provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated ***metering*** devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated ***metering*** devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated ***metering*** devices should be accompanied by quality requirements relating to the data.

Amendment

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow ***and they may*** not provide for the sufficient level of data granularity. ***Therefore, in addition to the use of data from smart metering systems, including the cases where customers individually request a smart meter,*** transmission and distribution system operators should be able to use data from dedicated ***measurement*** devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated ***measurement*** devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated ***measurement*** devices should be accompanied by quality requirements relating to the data.

Or. en

Justification

System operators should be able to use data from dedicated metering devices in addition – and not only as an alternative - to the use of data from smart metering systems. This will allow consumers' assets to participate in the electricity market and provide flexibility services to system operators.

Amendment 235
Michael Bloss

Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Amendment

(17) In order to be able to actively participate in the electricity markets and to provide their flexibility, consumers are progressively equipped with smart metering systems. However, in a number of Member States the roll-out of smart metering systems is still slow. In those instances where smart metering systems are not yet installed and in instances where smart metering systems do not provide for the sufficient level of data granularity, transmission and distribution system operators, ***upon customer consent***, should be able to use data from dedicated metering devices for the observability and settlement of flexibility services such as demand response and energy storage. Enabling the use of data from dedicated metering devices for observability and settlement should facilitate the active participation of the consumers in the market and the development of their demand response. The use of data from these dedicated metering devices should be accompanied by quality requirements relating to the data.

Or. en

Amendment 236
François-Xavier Bellamy

Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and

Amendment

deleted

decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the establishment of regional virtual hubs with a view to overcome the existing market fragmentation and the low liquidity experienced in many bidding zones. Regional virtual hubs should cover multiple bidding zones while ensuring an adequate price correlation. Some bidding zones may not be covered by a virtual hub in terms of contributing to the hub reference price. However, market participants from these bidding zones should still be able to hedge through a hub.

Or. en

Amendment 237
Angelika Niebler

Proposal for a regulation
Recital 19

Text proposed by the Commission

Amendment

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the establishment of regional virtual hubs with a view to overcome the existing market fragmentation and the low liquidity experienced in many bidding zones.

deleted

Regional virtual hubs should cover multiple bidding zones while ensuring an adequate price correlation. Some bidding zones may not be covered by a virtual hub in terms of contributing to the hub reference price. However, market participants from these bidding zones should still be able to hedge through a hub.

Or. en

Amendment 238

Zdzisław Krasnodębski

on behalf of the ECR Group

Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved ***via the establishment of regional virtual hubs with a view to overcome the existing market fragmentation and the low liquidity experienced in many bidding zones. Regional virtual hubs should cover multiple bidding zones while ensuring an adequate price correlation. Some bidding zones may not be covered by a virtual hub in terms of contributing to the hub reference price. However, market participants from these bidding zones should still be able to hedge through a hub.***

Amendment

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved.

Or. en

Amendment 239

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the ***establishment of regional virtual hubs with a view*** to overcome the ***existing*** market fragmentation and the low liquidity experienced in many bidding zones. ***Regional virtual hubs should cover multiple bidding zones while ensuring an adequate price correlation. Some bidding zones may not be covered by a virtual hub in terms of contributing to the hub reference price. However, market participants from these bidding zones should still be able to hedge through a hub.***

Amendment

(19) Consumers and suppliers need effective and efficient forward markets to cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the ***assessment and implementation of possible feasible measures in a reasonable period within the current market set-up, with the aim*** to overcome the market fragmentation and the low liquidity experienced in many bidding zones. ***These improvements could for instance be more frequent auctions or other maturities to be considered and would require a proper assessment.***

Or. en

Amendment 240

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Consumers and suppliers need effective and efficient forward markets to

Amendment

(19) Consumers and suppliers need effective and efficient forward markets to

cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the *establishment of regional virtual hubs with a view* to overcome the *existing* market fragmentation and the low liquidity experienced in many bidding zones. Regional virtual hubs *should cover multiple bidding zones while ensuring an adequate price correlation. Some bidding zones may not be covered by a virtual hub in terms of contributing to the hub reference price. However, market participants from these bidding zones should still be able to hedge through a hub.*

cover their long-term price exposure and decrease the dependence on short-term prices. To ensure that energy customers all over the EU can fully benefit from the advantages of integrated electricity markets and competition across the Union, the functioning of the Union's electricity forward market should be improved via the *assessment and implementation of possible feasible measures in a reasonable period within the current market set-up, with the aim* to overcome the market fragmentation and the low liquidity experienced in many bidding zones. *These improvements could for instance be more frequent auctions or other maturities to be considered and would require a proper assessment. The assessment shall also be extended to regional virtual hubs.*

Or. en

Justification

The proposal of Regional Virtual Hubs is a disruptive approach with long implementation times (5–10 years) based on untested solutions and with significant uncertainties on cost and risks for both TSOs and market participants. Virtual Hubs should not be imposed as a target model for the whole of Europe without a more in-depth impact assessment. We recommend the assessment and implementation of more practical solutions improving the current market setup, as well as a more in-depth assessment of regional virtual hubs.

Amendment 241

Maria da Graça Carvalho, Massimiliano Salini, Lara Comi, Seán Kelly, Henna Virkkunen, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) Virtual hubs should reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that

Amendment

deleted

extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

Or. en

Amendment 242
Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 20

Text proposed by the Commission

Amendment

(20) Virtual hubs should reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

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Or. en

Justification

Virtual hubs have not proven to enhance the market efficiency so far.

Amendment 243
Zdzisław Krasnodebski
on behalf of the ECR Group
Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation
Recital 20

Text proposed by the Commission

Amendment

(20) Virtual hubs should reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

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Or. en

Amendment 244

François-Xavier Bellamy

Proposal for a regulation

Recital 20

Text proposed by the Commission

Amendment

(20) Virtual hubs should reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

deleted

Or. en

Amendment 245

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 20

Text proposed by the Commission

Amendment

(20) Virtual hubs should reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

(20) Virtual hubs, ***if established based on a detailed impact assessment***, should ***at least*** reflect the aggregated price of multiple bidding zones and provide a reference price, which should be used by market operators to offer forward hedging products. To that extent, virtual hubs should not be understood as entities arranging or executing transactions. The regional virtual hubs, by providing a reference price index, should enable the pooling of liquidity and provide better hedging opportunities to market participants.

Or. en

Justification

Conditionality added to highlight that Regional Virtual Hubs adoption would be conditional to a proper impact assessment

Amendment 246

François-Xavier Bellamy

Proposal for a regulation

Recital 21

Text proposed by the Commission

Amendment

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and

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allocation should be performed on a regular basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with frequent maturities (ranging from month ahead to at least three years ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Or. en

Amendment 247

Zdzisław Krasnodębski

on behalf of the ECR Group

Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 21

Text proposed by the Commission

Amendment

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a regular basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with frequent maturities (ranging from month ahead to at least three years ahead), in

deleted

order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Or. en

Amendment 248

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a regular basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with frequent maturities (ranging from month ahead to at least **three years** ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Amendment

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. ***Financial transmission rights should be issued by TSOs and allocated through the single allocation platform.*** The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs ***if established based on the conclusions of a detailed impact assessment.*** The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a regular basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued ***on behalf of the transmission system operators*** with frequent maturities (ranging from month ahead to at least ***one year*** ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and

enforcement to ensure that it performs its tasks properly.

Or. en

Justification

The creation of virtual hubs should be preceded by conducting a corresponding impact assessment in order to ensure market stability.

Amendment 249

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones **and the regional virtual hubs**. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a regular basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with **frequent** maturities (ranging from month ahead to at least three years ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Amendment

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. ***Financial transmission rights should be issued by TSOs and allocated through the single allocation platform.*** The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed ***in accordance with Commission Regulation 2016/1719 and*** on a regular ***and more frequent*** basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with ***different*** maturities (ranging from month ahead to at least three years ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to

monitoring and enforcement to ensure that it performs its tasks properly.

Or. en

Amendment 250

Morten Petersen, Christophe Grudler, Klemen Grošelj, Ivars Ijabs

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a **regular** basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with **frequent** maturities (ranging from month ahead to at least three years ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Amendment

(21) To enhance the possibilities of market participants for hedging, the role of the single allocation platform established in accordance with Commission Regulation (EU) 2016/1719 should be expanded. The single allocation platform should offer trading of financial long-term transmission rights between the different bidding zones and the regional virtual hubs. The orders submitted by market participants for financial transmission rights shall be matched by a simultaneous allocation of long term cross zonal capacity. Such matching and allocation should be performed on a **frequent** basis, to ensure enough liquidity and, hence, efficient hedging possibilities to market participants. The long-term transmission rights should be issued with **different** maturities (ranging from month ahead to at least three years ahead), in order to be aligned with the typical hedging time horizon of market participants. The single allocation platform should be subject to monitoring and enforcement to ensure that it performs its tasks properly.

Or. en

Justification

The proposed amendments are editorial to better reflect the intention expressed in Article 9.

Amendment 251

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) Network tariffs should incentivise transmission and distribution system operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response or storage. For this purpose, network tariffs should be designed so as to take into account the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. This would further contribute to integrating renewables at the least cost for the electricity system and enable final customers to value their flexibility solutions.

Amendment

(22) Network tariffs should incentivise transmission and distribution system operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response or storage. For this purpose, network tariffs should be designed so as to take into account the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. ***Furthermore, they should be designed to provide the right incentives to system operators by combining a timely recognition of traditional investments in physical networks and adequate returns, with a flexible reflection of operational cost. Any obstacle in national regulation to the necessary efficient investments must be abolished.*** This would further contribute to integrating renewables at the least cost for the electricity system and enable final customers to value their flexibility solutions.

Or. en

Amendment 252

Jerzy Buzek

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) Network tariffs should incentivise transmission and distribution system

Amendment

(22) Network tariffs should incentivise transmission and distribution system

operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response *or* storage. For this purpose, network tariffs should be designed so as to take into account the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. This would further contribute to integrating renewables at the least cost for the electricity system and enable final customers to value their flexibility solutions.

operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response, storage *and sector integration*. For this purpose, network tariffs should be designed so as to take into account the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. This would further contribute to integrating renewables at the least cost for the electricity system and enable final customers to value their flexibility solutions, *based on locational investment signals where it helps to reduce redispatching and power grid reinforcement costs*.

Or. en

Amendment 253

Michael Bloss

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) Network tariffs should incentivise transmission and distribution system operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response or storage. For this purpose, network tariffs should be designed so as to take into account the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. This would further contribute to integrating renewables at the least cost for the electricity system and enable final customers to value their

Amendment

(22) Network tariffs should incentivise transmission and distribution system operators to use flexibility services through further developing innovative solutions to optimise the existing grid and to procure flexibility services, in particular demand response or storage *under regulatory oversight*. For this purpose, network tariffs should be designed so as to take into account *grid services provided for or by active customers and* the operational and capital expenditures of system operators or an efficient combination of both so that they can operate the electricity system cost-efficiently. This would further contribute to integrating renewables at the least cost for the electricity system and

flexibility solutions.

enable final customers to value their flexibility solutions.

Or. en

Amendment 254

Marina Measure, Marc Botenga

Proposal for a regulation

Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) The energy transition requires a rapid acceleration in the deployment of renewables, onshore and offshore, and electrified demand promoting sector coupling. Such a prompt ramp-up of installations, together with the inherent complexities of managing an electricity system with variable and distributed resources, is posing substantial challenges to the grids. In general, the transmission grid will incorporate large amounts of onshore and offshore renewable capacities and transmit the electricity to demand areas, further interconnect Member States and enable flows from distributed renewables to other demand areas. The distribution grid will incorporate most new onshore renewable capacities and electrified and smart household demand. National regulatory authorities will play a central role in ensuring that enough investment goes into the necessary grid development, expansion and reinforcement. Surplus revenues should be fairly distributed between the consumers and to support investments. Regulatory authorities should promote the utilisation of anticipatory investments, encouraging the acceleration of grid development to meet the accelerated deployment of renewable generation and smart electrified demand such as electric vehicles and heat pumps. This may be the case in particular for

designated renewables acceleration areas where anticipatory investments will be instrumental in ensuring that grids become enablers and not bottlenecks.

Or. en

Justification

Renewable roll-out will not be possible without an adequate development of grid facilities.

Amendment 255

Morten Petersen, Claudia Gamon, Emma Wiesner, Susana Solís Pérez, Klemen Grošelj, Ivars Ijabs

Proposal for a regulation

Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) Network tariff structures must be designed in a way that guarantees that the economic regulation of grid operators is dependable, stable and with sufficient economic return (WACC) that ensures enough investments and sector investability. Any provisions in the existing national regulatory regimes in the tariff design that hamper the necessary network expansion and digitalization must be removed.

Or. en

Amendment 256

Zdzisław Krasnodębski
on behalf of the ECR Group
Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 23

Text proposed by the Commission

Amendment

(23) Offshore renewable energy sources,

(23) Offshore renewable energy sources,

such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers *and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible for the need to limit the capacity should, in future, be enabled to compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.*

such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers *market based Power-Purchase Agreements or public support scheme such as Contract for Differences should be further facilitated.*

Or. en

Amendment 257
Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk ***for these offshore project developers and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible for the need to limit the capacity should, in future, be enabled to compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.***

Amendment

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk ***of those projects developers support schemes could be designed to introduce compensations when these projects have reduced access to interconnected markets due to grid congestion.***

Justification

Congestion revenues must be allocated to TSOs in order to support grid investments, which will allow offshore renewable energy sources to be better connected

Amendment 258

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Aldo Patriciello

Proposal for a regulation**Recital 23***Text proposed by the Commission*

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers *and* to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible for the need to limit the capacity should, in

Amendment

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers, ***instruments such as power purchase agreements or contracts for differences may be issued.*** To ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market,

future, be enabled to compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.

and subject to a coordinated decision of the Member States concerned, the transmission system operator or operators responsible for the need to limit the capacity should, in future, be enabled to compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. **If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the offshore generator should be compensated for the commensurate revenue loss. To that end the transmission system operator or operators responsible for the need to limit the capacity shall, in future, be enabled to contribute to the compensation of the offshore project operator commensurately using congestion income which is earned additionally on the interconnector due to the capacity restriction.** The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.

Or. en

Amendment 259

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in

Amendment

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in

ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers ***and to ensure that the projects*** in an offshore bidding zone ***have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible for the need to limit the capacity should, in future, be enabled to compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.***

ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers ***including for possible projects*** in an offshore bidding zone ***two solutions are possible: via market-based Power Purchase Agreements or via public support schemes. Market-based Power Purchase Agreements could allow the risk being shared between generators and off-takers. Where a market-based approach does not allow to reach the targeted renewable developments, Member States could offer a renewable support scheme in the form of a well-designed Contracts for Difference (CfDs) decoupling remuneration from actual injection.***

Or. en

Justification

Congestion income should not be used to finance support for offshore generators in hybrid projects nor any generation projects: this is not an effective support mechanism, would de facto be an implicit and non-transparent subsidy paid by consumers, and contradict internal markets principles.

Amendment 260

Morten Petersen, Emma Wiesner, Ivars Ijabs

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible for the need to limit the capacity *should*, in future, be enabled to *compensate* the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are

Amendment

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the *offshore generator should be compensated for the commensurate revenue loss. To that end the* transmission system operator or operators responsible for the need to limit the capacity *shall*, in future, be enabled to *contribute to the compensation of* the offshore project operator commensurately using congestion income, *which is earned additionally on the interconnector due to the capacity restriction*. This compensation should only be related to the production capability available to the market, which

intended to be defined in an implementing Regulation.

may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.

Or. en

Amendment 261
Michael Bloss

Proposal for a regulation
Recital 23

Text proposed by the Commission

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible

Amendment

(23) Offshore renewable energy sources, such as offshore wind, ocean energy and floating photovoltaic, will play an instrumental role in building a power system largely based on renewables and in ensuring climate neutrality by 2050. There are, however, substantial obstacles to their wider and efficient deployment preventing the massive scale up needed to achieve those objectives. Similar obstacles could arise for other offshore technologies in the future. These obstacles include investment risks associated with the unique topographical situation of offshore hybrid projects connected to more than one market. In order to reduce investment risk for these offshore project developers and to ensure that the projects in an offshore bidding zone have full market access to the surrounding markets, transmission system operators should guarantee access of the offshore project to the capacity of the respective hybrid interconnector for all market time units. If the available transmission capacities are reduced to the extent that the full amount of electricity generation that the offshore project would have otherwise been able to export cannot be delivered to the market, the transmission system operator or operators responsible

for the need to limit the capacity should, in future, be **enabled to** compensate the offshore project operator commensurately using congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.

for the need to limit the capacity should, in future, be **required to partly** compensate the offshore project operator commensurately using **excess** congestion income. This compensation should only be related to the production capability available to the market, which may be weather dependent and excludes the outage and maintenance operations of the offshore project. The details, including the conditions under which the measure may expire, are intended to be defined in an implementing Regulation.

Or. en

Amendment 262
Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) Given the role of the price in the day-ahead market as a reference for the price in other wholesale electricity markets, and the fact that all market participants receive the clearing price, the technologies with significantly lower marginal costs have consistently recorded high revenues.

Amendment

(25) Given the role of the price in the day-ahead market as a reference for the price in other wholesale electricity markets, and the fact that all market participants receive the clearing price, the technologies with significantly lower marginal costs have consistently recorded high revenues. ***The marginal pricing design per se should be removed onto a fairer model of price setting, based on production costs.***

Or. en

Justification

The marginal pricing design is the core of the energy crisis EU experienced, and therefore must be replaced.

Amendment 263
Morten Petersen, Claudia Gamon, Klemen Grošelj, Emma Wiesner, Susana Solís Pérez,

Ivars Ijabs

Proposal for a regulation
Recital 26

Text proposed by the Commission

(26) To reach the Union's decarbonisation targets and the objectives set out in REPowerEU to become more energy independent, the Union needs to accelerate the deployment of renewables at a much faster pace. In view of the investment needs required to achieve these goals, the market should ensure that a long-term price signal is established.

Amendment

(26) To reach the Union's decarbonisation targets and the objectives set out in REPowerEU to become more energy independent, the Union needs to accelerate the deployment of renewables at a much faster pace. In view of the investment needs required to achieve these goals, the market should ensure that a long-term price signal is established. ***The benefit of renewables and flexibility from consumers can be harvested only to the extent the grid deployment keeps up with more anticipatory and least regret investments. All obstacles to the necessary and efficient growth of the infrastructure that might be existing in the national regulatory regimes today must be abolished.***

Or. en

Amendment 264
Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision. Nevertheless, only a handful of Member

Amendment

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as ***renewable energy purchase agreements and*** power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision.

States have active PPA markets **and buyers are typically limited to large companies**, not least because PPAs face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements. Member States should take into consideration the need to create a dynamic PPA market when setting the policies to achieve the energy decarbonisation objectives set out in their integrated national energy and climate plans.

Nevertheless, only a handful of Member States have active **renewable energy purchase agreement and PPA** markets, not least because **renewable energy purchase agreements and PPAs** face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements. **The risks can lead to excessively high collateral requirement for the buyer, in particular for early projects in the hard-to-decarbonise sectors.** Member States should take into consideration the need to create a dynamic **renewable energy purchase agreement and PPA** market when setting the policies to achieve the energy decarbonisation objectives set out in their integrated national energy and climate plans.

Or. en

Justification

Energy-intensive industries that need to transform their production face tremendous barriers to sign PPAs.

Amendment 265

Morten Petersen, Christophe Grudler, Claudia Gamon, Emma Wiesner, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation

Recital 27

Text proposed by the Commission

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision. Nevertheless, only a handful of Member

Amendment

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision. Nevertheless, only a handful of Member

States have active PPA markets and buyers are typically limited to large companies, not least because PPAs face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements. Member States should take into consideration the need to create a dynamic PPA market when setting the policies to achieve the energy decarbonisation objectives set out in their integrated national energy and climate plans.

States have active PPA markets and buyers are typically limited to large companies, not least because PPAs face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements. Member States should take into consideration the need to create a dynamic PPA market when setting the policies to achieve the energy decarbonisation objectives set out in their integrated national energy and climate plans. ***Regulatory unpredictability, instability and retroactivity would undermine the ability of PPAs to contribute to the clean energy transition and energy independence.***

Or. en

Amendment 266

Christophe Grudler, Susana Solís Pérez, Valérie Hayer

Proposal for a regulation

Recital 27

Text proposed by the Commission

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision. Nevertheless, only a handful of Member States have active PPA markets and buyers are typically limited to large companies, not least because PPAs face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements. Member States should take into consideration the need to create a dynamic PPA market when setting the policies to achieve the energy

Amendment

(27) In this framework, Member States should strive to create the right market conditions for long-term market-based instruments, such as power purchase agreements ('PPAs'). PPAs are bilateral purchase agreements between producers and buyers of electricity. They provide long-term price stability for the customer and the necessary certainty for the producer to take the investment decision. ***PPAs therefore help to support the competitiveness of the Union's businesses, including SMEs, who face international competition***. Nevertheless, only a handful of Member States have active PPA markets and buyers are typically limited to large companies, not least because PPAs face a set of barriers, in particular the difficulty to cover the risk of payment default from the buyer in these long-term agreements.

decarbonisation objectives set out in their integrated national energy and climate plans.

Member States should take into consideration the need to create a dynamic PPA market when setting the policies to achieve the energy decarbonisation objectives set out in their integrated national energy and climate plans.

Or. en

Amendment 267

Morten Petersen, Emma Wiesner, Nicola Danti, Ivars Ijabs

Proposal for a regulation Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) The need to provide regulatory stability and a predictable investment climate for the necessary investment in the European power sector is also the reason why the inframarginal revenue cap, temporarily introduced via Art. 10 of Council Regulation 2022/0289(NLE), is not integrated in a structural manner in this Regulation.

Or. en

Amendment 268

Morten Petersen, Claudia Gamon, Klemen Grošelj, Emma Wiesner, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation Recital 28

Text proposed by the Commission

Amendment

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the

uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States **should** ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs that purchase generation from fossil fuels. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States **may** ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. ***Alternatively, Member States may put in place such instruments to make hedging products in the forward market accessible to customers that face entry barriers to the forward market.*** Member States should include provisions to avoid lowering the liquidity in the electricity markets, ***in particular the forward market***, such as by using financial PPAs. Member States should not provide support to PPAs that purchase generation from fossil fuels. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

Or. en

Justification

Amendments in support of the amendments in Article 19a.

Amendment 269

Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation
Recital 28

Text proposed by the Commission

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs that purchase generation from fossil fuels. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

Amendment

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term **renewable energy purchase agreements** and renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of **renewable energy purchase agreements** and renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of **renewable energy purchase agreements** and PPAs are accessible to companies that face entry barriers to the **renewable energy purchase agreement** and PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs that purchase generation from fossil fuels. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the

Amendment 270**Marian-Jean Marinescu****Proposal for a regulation****Recital 28***Text proposed by the Commission*

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU. ***Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs that purchase generation from fossil fuels.*** While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-

Amendment

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial difficulty in line with Articles 107 and 108 TFEU, ***unless the difficulty is determined by extraordinary circumstances beyond the control of the buyer and of the Member States.*** While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria ***that are not based on consumption level of the off-taker.*** In this framework, Member States should take into account the potential role of instruments provided at

discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

Union level, for instance by the European Investment Bank ('EIB').

Or. en

Justification

The companies that are affected by extraordinary circumstances beyond their control and the control of the Member States should not be penalised, by being excluded from the scope of the Article and can therefore have access to instruments reducing the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs. The electro-intensive consumers (industry) should also benefit from instruments reducing the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs.

Amendment 271

Maria Spyra

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial

Amendment

(28) According to Article 15(8) of Directive (EU) 2018/2001 of the European Parliament and of the Council, Member States are to assess the regulatory and administrative barriers to long-term renewables PPAs, and shall remove unjustified barriers to, and promote the uptake of, such agreements. In addition, Member States are to describe policies and measures facilitating the uptake of renewables PPAs in their integrated national energy and climate plans. Without prejudice to that obligation to report on the regulatory context affecting the PPA market, Member States should ensure that instruments to reduce the financial risks associated to the buyer defaulting on its long-term payment obligations in the framework of PPAs are accessible to companies that face entry barriers to the PPA market and are not in financial

difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs **that purchase generation from fossil fuels**. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

difficulty in line with Articles 107 and 108 TFEU. Member States could decide to set up a guarantee scheme at market prices. Member States should include provisions to avoid lowering the liquidity in the electricity markets, such as by using financial PPAs. Member States should not provide support to PPAs **signed with fossil fuel generation assets**. While the default approach should be non-discrimination between consumers, Member States could decide to target these instruments to specific categories of consumers, applying objective and non-discriminatory criteria. In this framework, Member States should take into account the potential role of instruments provided at Union level, for instance by the European Investment Bank ('EIB').

Or. en

Amendment 272

Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation

Recital 29

Text proposed by the Commission

(29) Member States have at their disposal several instruments to support the development of PPA markets when designing and allocating public support. Allowing renewable energy project developers participating in a public support tender to reserve a share of the generation for sale through a PPA would contribute to nurture and grow PPA markets. In addition, as part of these tender evaluation Member States should endeavour to apply criteria to incentivise the access to the PPA market for actors that face entry barriers, such as small and medium-sized enterprises ('SMEs'), giving preference to bidders presenting a commitment to sign a PPA for part of the project's generation

Amendment

(29) Member States have at their disposal several instruments to support the development of **renewable energy purchase agreement and** PPA markets when designing and allocating public support. Allowing renewable energy project developers participating in a public support tender to reserve a share of the generation for sale through a **renewable energy purchase agreement or** PPA would contribute to nurture and grow **renewable energy purchase agreement and** PPA markets. In addition, as part of these tender evaluation Member States should endeavour to apply criteria to incentivise the access to the **renewable energy purchase agreement and** PPA market for

from one or several potential buyers that face difficulties to access the PPA market.

actors that face entry barriers, such as small and medium-sized enterprises ('SMEs') **or energy-intensive large companies that face tremendous challenges to decarbonise their production**, giving preference to bidders presenting a commitment to sign a **renewable energy purchase agreement or PPA** for part of the project's generation from one or several potential buyers that face difficulties to access the **renewable energy purchase agreement and PPA** market.

Or. en

Amendment 273
Marian-Jean Marinescu

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) Member States have at their disposal several instruments to support the development of PPA markets when designing and allocating public support. **Allowing** renewable energy project developers participating in a public support tender **to** reserve a share of the generation for sale through a PPA would contribute to nurture and grow PPA markets. In addition, as part of these tender evaluation Member States should endeavour to **apply criteria to** incentivise the access to the PPA market for actors **that face entry barriers, such as small and medium-sized enterprises ('SMEs'), giving** preference to bidders presenting a commitment to sign a PPA for part of the project's generation from one or several potential buyers that face difficulties to access the PPA market.

Amendment

(29) Member States have at their disposal several instruments to support the development of PPA markets when designing and allocating public support. Renewable energy project developers participating in a public support tender **should** reserve a share of the generation for sale through a PPA would contribute to nurture and grow PPA markets. In addition, as part of these tender evaluation Member States should endeavour to incentivise the access to the PPA market for **all** actors. **Member States should take measures facilitating collective purchase of electricity through PPAs benefitting from guarantee schemes. Members should also give** preference to bidders presenting a commitment to sign a PPA for part of the project's generation from one or several potential buyers that face difficulties to access the PPA market.

Or. en

Justification

Setting an obligation on beneficiaries of state aid to sell part of their output through PPAs that are available to all actors in a non-discriminatory manner should ensure liquidity of the corporate PPA market. Collective purchase of electricity through PPAs should be encouraged through national measures encouraging SMEs to make use of PPAs, facilitating SMEs access to this instrument.

Amendment 274

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 29

Text proposed by the Commission

(29) Member States have at their disposal several instruments to support the development of PPA markets when designing and allocating public support. Allowing renewable energy project developers participating in a public support tender to reserve a share of the generation for sale through a PPA would contribute to nurture and grow PPA markets. In addition, as part of these tender evaluation Member States should endeavour to apply criteria to incentivise the access to the PPA market for actors that face entry barriers, such as *small and medium-sized* enterprises (*'SMEs'*), giving preference to bidders presenting a commitment to sign a PPA for part of the project's generation from one or several potential buyers that face difficulties to access the PPA market.

Amendment

(29) Member States have at their disposal several instruments to support the development of PPA markets when designing and allocating public support. Allowing renewable energy project developers participating in a public support tender to reserve a share of the generation for sale through a PPA would contribute to nurture and grow PPA markets. In addition, as part of these tender evaluation Member States should endeavour to apply criteria to incentivise the access to the PPA market for actors that face entry barriers, such as *micro and small-sized* enterprises, giving preference to bidders presenting a commitment to sign a PPA for part of the project's generation from one or several potential buyers that face difficulties to access the PPA market.

Or. en

Amendment 275

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 29 a (new)

(29a) The Commission should evaluate the best fitting implementation instruments to ensure that the Power Purchase Agreements are accessible to all types of customers and market participants, including SMEs. This is necessary to address the risk of preserving the most advantageous contracts to large scale consumers, such as energy intensive industries. Furthermore, Member States should implement measures to ensure that the price settled in a Power Purchase Agreements is representative enough of the production cost to prevent unfair competition.

Or. en

Justification

Development of PPA without any control can lead to market distortion and inequality between consumers that do not have the same negotiation ability and consumption prevision capacity

Amendment 276

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Sara Skytvedal, Tomas Tobé, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 30

Text proposed by the Commission

Amendment

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference ***such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned.*** New

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference ***or equivalent mechanisms achieving the same goals. Such two-way contracts for difference shall be allocated through a voluntary,***

investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing **power generating** facilities, **investments aimed** at extending existing **power generating** facilities **or at prolonging their lifetime**.

competitive, open, transparent, non-discriminatory and cost-effective procedure, in accordance with State Aid Rules, preventing undue distortions to the efficient functioning of the electricity markets. New investments for the generation of electricity should include investments in new power generating facilities **and may also include** investments aimed at repowering existing **power-generating** facilities **and** at extending existing **power-generating** facilities **if the increase of power generation capacity is substantial. Market participants should be free to take part in the tendering procedures for two-way contracts for differences or other similar arrangements.**

Or. en

Amendment 277

Morten Petersen, Claudia Gamon, Klemen Grošelj, Emma Wiesner, Nicola Danti, Ivars Ijabs

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at

Amendment

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference, ***or other similar arrangements***, such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. ***Such schemes shall be allocated through a voluntary, competitive, open, transparent, non-discriminatory, and cost-effective procedure, in accordance with State Aid Rules, preventing undue distortions to the efficient functioning of electricity***

prolonging their lifetime.

markets. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime.

Or. en

Amendment 278

Seán Kelly

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime.

Amendment

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference [*for other similar arrangements*] such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. ***Such schemes shall be allocated through a competitive, open, transparent, non-discriminatory, and cost-effective procedure, in accordance with State Aid Rules, preventing undue distortions to the efficient functioning of electricity markets.*** New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime.

Or. en

Justification

In view of the need to provide regulatory certainty to market participants and investments confidence, and to ensure a level-playing field, CfDs must be allocated through a competitive open, transparent, non-discriminatory, and cost-effective procedure process in accordance with State Aid Rules.

Therefore, direct price support schemes to produce electricity in the form of two-way contracts for differences, must be voluntary to market participants, apply only to new investments and ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive, and liquid functioning of the electricity markets.

It is vital that any kind of support scheme complies with the abovementioned principles to ensure fair competition, and prevent distortions of the Internal Market.

Amendment 279

Patrizia Toia

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime.

Amendment

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime. ***Member States could consider using the capacity expansion as an opportunity to sign two-way contracts for difference also on some existing capacity as long as such schemes do not distort remuneration and price signals.***

Amendment 280
András Gyürk, Ernő Schaller-Baross

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) Where Member States decide to support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes **should** be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, **investments aimed at extending existing power generating facilities or at prolonging their lifetime.**

Amendment

(30) Where Member States decide to support publicly financed new investments **by** “direct price support schemes” in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes **may** be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. **To protect investment certainty, this obligation should apply to contracts under direct price support schemes for new investments in generation concluded as of one year after entry into force of this Regulation.** New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities.

Amendment 281
Zdzisław Krasnodebski
on behalf of the ECR Group
Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) Where Member States decide to

Amendment

(30) Where Member States decide to

support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. ***New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at prolonging their lifetime.***

support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned ***or other price support schemes having an equivalent effect. Such schemes shall be voluntary for market participants and allocated through a competitive, open, transparent, non-discriminatory, and cost-effective procedure, in accordance with State Aid Rules, preventing undue distortions to the efficient functioning of electricity markets.***

Or. en

Amendment 282

Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) ***Where*** Member States ***decide to*** support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives, those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending existing power generating facilities or at

Amendment

(30) Member States ***shall*** support publicly financed new investments (“direct price support schemes”) in low carbon, non-fossil fuel electricity generation to achieve the Union’s decarbonisation objectives. Those schemes should be structured by way of two-way contracts for difference such as to include, in addition to a revenue guarantee, an upward limitation of the market revenues of the generation assets concerned. ***Different sources of power generation should be pooled.*** New investments for the generation of electricity should include investments in new power generating facilities, investments aimed at repowering existing power generating facilities, investments aimed at extending

prolonging their lifetime.

existing power generating facilities or at prolonging their lifetime.

Or. en

Amendment 283
Tiziana Beghin

Proposal for a regulation
Recital 32

Text proposed by the Commission

(32) However, to the extent that the limitation to set out direct price support schemes in the form of two-way contracts for difference narrows down the types of direct price support schemes that Member States can adopt as regards renewable energy sources, it should be limited to **low carbon, non-fossil fuel** technologies, with low and stable operational costs and to technologies which typically do not provide flexibility to the electricity system, while excluding technologies that are at early stages of their market deployment. This is necessary to ensure that the economic viability of generation technologies with high marginal costs is not jeopardised and to maintain the incentives of the technologies which can offer flexibility to the electricity system to bid in the electricity market based on their opportunity costs. In addition, the limitation to set out direct price support schemes in the form of two-way contracts for difference should not apply to emerging technologies for which other types of direct price support schemes may be better placed to incentivise their uptake. The limitation should be without prejudice to the possible exemption for small-scale installations and demonstration projects pursuant to Article 4 (3) of (EU) 2018/2001 of the European Parliament and of the Council and consider the specificities of renewable energy communities in accordance with Article 22

Amendment

(32) However, to the extent that the limitation to set out direct price support schemes in the form of two-way contracts for difference narrows down the types of direct price support schemes that Member States can adopt as regards renewable energy sources, it should be limited to **renewable energy** technologies, with low and stable operational costs and to technologies which typically do not provide flexibility to the electricity system, while excluding technologies that are at early stages of their market deployment. This is necessary to ensure that the economic viability of generation technologies with high marginal costs is not jeopardised and to maintain the incentives of the technologies which can offer flexibility to the electricity system to bid in the electricity market based on their opportunity costs. In addition, the limitation to set out direct price support schemes in the form of two-way contracts for difference should not apply to emerging technologies for which other types of direct price support schemes may be better placed to incentivise their uptake. The limitation should be without prejudice to the possible exemption for small-scale installations and demonstration projects pursuant to Article 4 (3) of (EU) 2018/2001 of the European Parliament and of the Council and consider the specificities of renewable energy communities in accordance with Article 22

(7) of that Directive.

(7) of that Directive.

Or. en

Justification

Nuclear energy should not be included as a resource that qualifies for direct support schemes. Nuclear power is not an option as evidenced by the 20 years it took to design, build, test and start-up Olkiluoto 3 in Finland whose costs more than tripled. We do not have time and means to divert huge economic resources from renewables and storage as we risk compromising the EU Green Deal and decarbonisation efforts by doing so

Amendment 284

Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation

Recital 33

Text proposed by the Commission

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply only to new investments for the generation of electricity from the sources specified in the recital above.

Amendment

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply only to new investments for the generation of electricity from the sources specified in the recital above. ***Member States should support the integration of the European electricity market by realizing the benefits of long-term hedging for investors and consumers at European scale with joint tenders for CfDs by groups of countries backed by allocation of long-term (financial) transmission rights to ensure these CfDs translate to effective hedging for electricity consumers in participating countries.***

Or. en

Amendment 285

Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply **only to new** investments for the generation of electricity from the sources specified in the recital above.

Amendment

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply **to all** investments **and existing capacity** for the generation of electricity from the sources specified in the recital above.

Or. en

Justification

This is necessary to better protect consumers from price volatility and prevent high profits on power generating facilities which fixed costs have already been amortized.

Amendment 286

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply only to new investments **for the generation of electricity from the sources specified in the recital above.**

Amendment

(33) In view of the need to provide regulatory certainty of producers, the obligation for Member States to apply direct price support schemes for the production of electricity in the form of two-way contracts for difference should apply only to **those** new investments **whose contracts are concluded as of one year after the date of entry into force of this Regulation.**

Or. en

Amendment 287

Jens Geier, Marek Pawel Balt, Dan Nica, Matthias Ecke

Proposal for a regulation

Recital 34

Text proposed by the Commission

(34) Thanks to the upward limitation of the market revenues direct price support schemes in the form of two-way contracts for difference should provide an additional source of revenues for Member States in periods of high energy prices. To further mitigate the impact of high electricity prices on the energy bills of consumers, Member States should ensure that the revenues collected from producers subject to direct price support schemes in the form of two-way contracts for difference are passed on ***to all final electricity customers, including households, SMEs and industrial consumers, based on their consumption.*** The redistribution of revenues should be done in a way that ensures that consumers are still to some extent exposed to the price signal, so that they reduce their consumption when the prices are high, or shift it to periods of lower prices (which are typically periods with a higher share of RES production). Member States should ensure that the level playing-field and competition between the different suppliers is not affected by the redistribution of revenues to the final electricity consumers.

Amendment

(34) Thanks to the upward limitation of the market revenues direct price support schemes in the form of two-way contracts for difference should provide an additional source of revenues for Member States in periods of high energy prices. To further mitigate the impact of high electricity prices on the energy bills of consumers, Member States should ensure that the revenues collected from producers subject to direct price support schemes in the form of two-way contracts for difference are passed on ***in particular to energy-intensive industry sectors under competitive pressure on the international markets in proportion to their dependency on international markets and their electro-intensity and those industries indispensable for the transformation to climate-neutrality. Annex I of the Guidelines on State aid for climate, environmental protection should give guidance for passing on the revenues .*** The redistribution of revenues should be done in a way that ensures that consumers are still to some extent exposed to the price signal, so that they reduce their consumption when the prices are high, or shift it to periods of lower prices (which are typically periods with a higher share of RES production). Member States should ensure that the level playing-field and competition between the different suppliers is not affected by the redistribution of revenues to the final electricity consumers.

Or. en

Amendment 288

Zdzisław Krasnodębski
on behalf of the ECR Group
Isabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation
Recital 34

Text proposed by the Commission

(34) Thanks to the upward limitation of the market revenues direct price support schemes in the form of two-way contracts for difference should provide an additional source of revenues for Member States in periods of high energy prices. To further mitigate the impact of high electricity prices on the energy bills of consumers, Member States should ensure that the revenues collected from producers subject to direct price support schemes in the form of two-way contracts for difference **are** passed on to all final electricity customers, including households, SMEs and industrial consumers, based on their consumption. The redistribution of revenues should be done in a way that ensures that consumers are still to some extent exposed to the price signal, so that they reduce their consumption when the prices are high, or shift it to periods of lower prices (which are typically periods with a higher share of RES production). Member States should ensure that the level playing-field and competition between the different suppliers is not affected by the redistribution of revenues to the final electricity consumers.

Amendment

(34) Thanks to the upward limitation of the market revenues direct price support schemes in the form of two-way contracts for difference should provide an additional source of revenues for Member States in periods of high energy prices. To further mitigate the impact of high electricity prices on the energy bills of consumers, Member States should ensure that the revenues collected from producers subject to direct price support schemes in the form of two-way contracts for difference **could be** passed on to all final electricity customers, including households, SMEs and industrial consumers, based on their consumption. The redistribution of revenues should be done in a way that ensures that consumers are still to some extent exposed to the price signal, so that they reduce their consumption when the prices are high, or shift it to periods of lower prices (which are typically periods with a higher share of RES production). Member States **could also choose to use those revenues for compensation of power generating facilities when the market is below the strike price or support for investment in grid development and low-emission power generation sources.** **Member States** should ensure that the level playing-field and competition between the different suppliers is not affected by the redistribution of revenues to the final electricity consumers.

Or. en

Amendment 289

Marina Mesure, Marc Botenga

**Proposal for a regulation
Recital 35**

Text proposed by the Commission

(35) Furthermore, Member States should ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive and liquid functioning of the electricity markets, preserving the incentives of producers to react to market signals, including stop generating when electricity prices are below their operational costs, and of final customers to reduce consumption when electricity prices are high. Member States should ensure that support schemes do not constitute a barrier for the development of commercial contracts such as PPAs.

Amendment

deleted

Or. en

**Amendment 290
Marian-Jean Marinescu**

**Proposal for a regulation
Recital 35**

Text proposed by the Commission

(35) Furthermore, Member States should ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive and liquid functioning of the electricity markets, preserving the incentives of producers to react to market signals, including stop generating when electricity prices are below their operational costs, and of final customers to reduce consumption when electricity prices are high. Member States ***should*** ensure that support schemes do not constitute a barrier for the development of commercial

Amendment

(35) Furthermore, Member States should ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive and liquid functioning of the electricity markets, preserving the incentives of producers to react to market signals, including stop generating when electricity prices are below their operational costs, and of final customers to reduce consumption when electricity prices are high. Member States ***shall*** ensure that support schemes, ***irrespective of their form***, do not constitute a barrier for the

contracts such as PPAs.

development of commercial contracts such as PPAs **and shall include an obligation for producers under these schemes to sell at least 20 % of their electricity output through PPAs or other market-based instruments.**

Or. en

Justification

One of the main purposes of the EMD reform is to facilitate the widespread use of PPAs. One important pre-condition for achieving this goal is to have sufficient liquidity of the PPAs market. This liquidity can be achieved through setting an obligation for power producers benefitting from support schemes to sell a certain amount of their production through PPAs or other market-based instruments. In this manner, liquidity ensures, competition on PPAs market is increased, market participants get accustomed to the instrument and the goal of widespread use of PPAs is attained.

Amendment 291

Morten Petersen, Claudia Gamon, Klemen Grošelj, Emma Wiesner, Susana Solís Pérez, Ivars Ijabs, Mauri Pekkarinen

Proposal for a regulation

Recital 35

Text proposed by the Commission

(35) Furthermore, Member States should ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive and liquid functioning of the electricity markets, preserving the incentives of producers to react to market signals, including stop generating when electricity prices are below their operational costs, and of final customers to reduce consumption when electricity prices are high. Member States should ensure that support schemes do not constitute a barrier for the development of commercial contracts such as PPAs.

Amendment

(35) Furthermore, Member States should ensure that the direct price support schemes, irrespective of their form, do not undermine the efficient, competitive and liquid functioning of the electricity markets, preserving the incentives of producers to react to market signals, including stop generating when electricity prices are below their operational costs, and of final customers to reduce consumption when electricity prices are high. Member States should ensure that support schemes do not **hamper forward market liquidity and retail competition, as well as** constitute a barrier for the development of commercial contracts such as PPAs.

Or. en

Justification

Amendment to support amendments in Article 19b.

Amendment 292

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 36

Text proposed by the Commission

Amendment

(36) Thus, two-way contracts for difference and power purchase agreements play complementary roles in advancing the energy transition and bringing the benefits of renewables and low carbon energy to consumers. Subject to the requirements set out in the present Regulation, Member States should be free to decide which instruments they use to achieve their decarbonisation objectives. Through PPAs, private investors contribute to additional renewable and low carbon energy deployment while locking low and stable electricity prices over the long-term. Likewise, through two-way contracts for difference, the same objective is achieved by public entities on behalf of consumers. Both instruments are necessary to achieve the Union's decarbonisation targets through renewable and low carbon energy deployment, while bringing forward the benefits of low-cost electricity generation for consumers. *deleted*

Or. en

Justification

PPAs as proposed by the Commission are unlikely to achieve these goals.

Amendment 293

Jens Geier, Marek Pawel Balt, Dan Nica, Matthias Ecke

Proposal for a regulation
Recital 36 a (new)

Text proposed by the Commission

Amendment

(36a) High electricity prices have impacted particularly energy-intensive industries and SMEs with high trade and electricity intensity at a significant risk of carbon leakage. This is due to increased production and manufacturing costs stemming from the surges in wholesale prices. The Union has to ensure reliable electricity prices to affordable cost for the European energy-intensive sectors under competitive pressure on the international markets in order to prevent job losses, to enable the industrial transition towards climate-neutrality and to protect European sovereignty. Complementary to two-way contracts for difference and PPAs, Member States may support those sectors by the introduction of public interventions in price setting in a transitional phase where not enough non-fossil fuel electricity generation is deployed yet. The support should end in 2035 at the latest. Those financial support measures shall enable the decarbonisation of electro-intensive production processes. Companies that receive financial support have to comply with a transformation plan and minimum social commitments. The support shall be in proportion to the dependency on international markets and the electro-intensity of the production as well as incentivise energy efficient energy use by companies, for example through a limitation of the intervention to a share of the total electricity consumption.

Or. en

Amendment 294
Paolo Borchia, Isabella Tovaglieri, Matteo Adinolfi

Proposal for a regulation
Recital 37

Text proposed by the Commission

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. **Regulatory authorities** should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, in view of the need to decarbonise the energy system. **On this basis, Member States should define a national objective for non-fossil flexibility such as demand side response and storage which should also be reflected in their integrated national energy and climate plans.**

Amendment

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. **Member States** should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, in view of the need to decarbonise the energy system.

Or. en

Justification

For national assessment of flexibility needs, to capture synergies and address national specificities and to ensure consistency with national scenarios, network development plans and adequacy assessments, the identification of competent authorities and entities for data collection, development of the assessment and evaluation of results should be done at national level based on existing roles and practices.

Amendment 295

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. Regulatory authorities should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, ***in view of the need to decarbonise the energy*** system. On this basis, Member States should define a national objective for non-fossil flexibility such as demand side response and storage ***which should also be reflected in their*** integrated national energy and climate plans.

Amendment

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. Regulatory authorities should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, ***with the objective of accelerating progress towards a renewables based power system by 2035.*** On this basis, Member States should define a national objective for non-fossil flexibility such as demand side response and storage. ***This national objective should support Member States' pathway to a renewables based power system by 2035, and be included in the*** integrated national energy and climate plans.

Or. en

Amendment 296

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. Regulatory authorities should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, in view of the need to decarbonise the energy system. On this basis, Member States should define a national objective for ***non-fossil*** flexibility such as demand ***side*** response and storage which should also be reflected in their integrated national energy and climate plans.

Amendment

(37) The accelerated deployment of renewables necessitates a growing availability of flexibility solutions to ensure their integration to the grid and to enable the electricity system and grid to adjust to the variability of electricity generation and consumption across different time horizons. Regulatory authorities should periodically assess the need for flexibility in the electricity system based on the input of transmission and distribution system operators. The assessment of the flexibility needs of the electricity system should take into account all existing and planned investments (including existing assets that are not yet connected to the grid) on sources of flexibility such as flexible electricity generation, interconnectors, demand side response, energy storage or the production of renewable fuels, in view of the need to decarbonise the energy system. On this basis, Member States should define a national objective for flexibility such as demand response and ***energy*** storage, ***including vehicle-to-grid technologies***, which should also be reflected in their integrated national energy and climate plans.

Or. en

Amendment 297

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 37 a (new)

Text proposed by the Commission

Amendment

(37a) The most needed deployment of variable renewable energy generation will only reach its full potential with the deployment of additional energy storage. The future energy system will need more

flexibility, stability and reliability to achieve the objectives of the European Green Deal and the Climate Law. Energy storage should play a crucial role in the current and future energy system. It can help decarbonise the economy and increase the efficiency and security of energy supply by providing flexibility, stability and reliability. Energy storage can also lower electricity prices during peak times, reduce price fluctuations and empower consumers to adapt their energy consumption to prices and their needs. Member States should define separate national quantifiable objectives for demand response and energy storage which should be reflected in their integrated national energy and climate plans. As the single market is not well designed to ensure adequate remuneration to energy storage capacity owners, transmission and distribution system operators should be allowed to own energy storage capacities. To achieve the goal of price stability and the decarbonisation of our electricity production, the development of energy storage should not be on a profit-based model. In the light of those plans, the Commission should assess the coherence between the Member States' national targets and the needs of the Union electricity system and propose, where appropriate, measures at EU level to boost demand response and energy storage.

Or. en

Justification

Developing energy storage facilities is a key aspect to ensure a resilient and flexible energy system.

Amendment 298

Susana Solís Pérez, Claudia Gamon

Proposal for a regulation

Recital 37 a (new)

Text proposed by the Commission

Amendment

(37a) Member States shall take into account the double role (generator-consumer) of energy storage when defining the applicable regulatory framework and procedures, in particular when implementing the Union legislation concerning the electricity market, in order to remove existing barriers. This includes preventing double taxation and facilitating permit-granting procedures. National regulatory authorities shall also consider such a role when establishing network charges and tariff schemes, in compliance with Union legislation.

Or. en

Amendment 299

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 38

Text proposed by the Commission

Amendment

(38) To achieve the national objective for non-fossil flexibility such as demand ***side*** response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. ***Member States that apply a capacity mechanism in line with the existing rules should promote*** the participation of non-fossil flexibility ***such as demand side response and storage by introducing additional criteria or features in the design.***

(38) To achieve the national objective for non-fossil flexibility such as demand response and ***energy*** storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Capacity ***mechanisms are to be open to*** the participation of ***all resources that are capable of providing the required technical performance, including energy storage and demand side management. They should not be treated as a temporary measure of last resort, but as a permanent feature of the electricity market and as a measure that can help to bring investments to create additional new generation facilities to the system. At the same time, capacity mechanisms should***

retain the purpose of ensuring long-term adequacy and incentives to invest in all kinds of resources, ensuring technology neutrality. Additional solutions may also be applied to stimulate non-fossil flexibility. The procedures for the introduction, approval and modification of capacity mechanisms should be significantly shortened and simplified.

Or. en

Justification

The primary purpose of Capacity Mechanisms is to ensure adequacy, and depending on the needs of a given electricity system, it can be best achieved by adding different kinds of resources – both stable, non-flexible and flexible kinds. Flexibility must not be mistaken with adequacy, and long-term adequacy will not be achieved by flexibility alone: there is a fundamental difference between the short term unavailability of power in a given location of the grid and prolonged lack of capacity to cover demand in the whole system.

Amendment 300

Miapetra Kumpula-Natri, Erik Bergkvist, Niels Fuglsang

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand side response and storage by introducing additional criteria or features in the design.

Amendment

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand side response and storage by introducing additional criteria or features in the design. ***Furthermore, it may be necessary to develop the regulatory framework in order to ensure the deployment of sufficient flexible capacity in the long-term. Therefore, the Commission should prepare a report on***

the implementation and functioning of the existing framework, especially its suitability for incentivising investments in capacity that can offer capabilities and services essential to integrating additional renewable energy sources in line with the EU's climate and renewable energy targets. If appropriate, the report should be accompanied with a legislative proposal.

Or. en

Amendment 301

Maria da Graça Carvalho, Pilar del Castillo Vera, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) To achieve the national objective for **non-fossil** flexibility such as demand **side** response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of **non-fossil** flexibility such as demand **side** response and storage by introducing additional criteria or features in the design.

Amendment

(38) To achieve the national objective for flexibility such as demand response and **energy** storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of flexibility such as demand response and **energy** storage by introducing additional criteria or features in the design. ***In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and energy storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of flexibility such as demand response and energy storage. The use of fossil-based flexibility shall be considered only if it does not use unabated fossil fuels.***

Amendment 302

Zdzisław Krasnodębski

on behalf of the ECR Group

Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) To *achieve the national objective for non-fossil flexibility* such as demand side response and storage investment needs, Member States *can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules* should promote the participation of non-fossil flexibility *such as demand side response and storage by introducing additional criteria or features* in the design.

Amendment

(38) To *increase the non-fossil flexibility of the electricity system* such as demand side response and storage investment needs, Member States should promote the participation of non-fossil flexibility in the *capacity mechanisms. At the same time, to ensure long-term adequacy and security of supply, capacity mechanisms should be an integral part of electricity market design and, reflecting specificity of each electricity market, involve and provide incentives to invest into different kinds of resources - stable, non-flexible and flexible, with respect to technological neutrality.*

Amendment 303

Jerzy Buzek

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) To achieve the national objective for *non-fossil* flexibility such as demand side response *and* storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a

Amendment

(38) To achieve the national objective for flexibility such as demand side response, storage investment needs *and sector integration*, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that

capacity mechanism in line with the existing rules should promote the participation of *non-fossil* flexibility such as demand side response *and* storage by introducing additional criteria or features in the design.

apply a capacity mechanism in line with the existing rules should promote the participation of flexibility such as demand side response, storage *and sector integration* by introducing additional criteria or features in the design.

Or. en

Amendment 304
Pilar del Castillo Vera

Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand side response and storage by introducing additional criteria or features in the design.

Amendment

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green, *voluntary* and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand side response and storage by introducing additional criteria or features in the design.

Or. en

Justification

Demand response mechanisms should remain voluntary. The energy market should not depend on user flexibility or have a negative impact on the continuity of the production processes.

Amendment 305
Paolo Borchia, Isabella Tovaglieri, Matteo Adinolfi

Proposal for a regulation
Recital 38

Text proposed by the Commission

Amendment

(38) To **achieve** the national objective for non-fossil flexibility **such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism.** Member States that apply a capacity mechanism in line with the existing rules should **promote** the participation of non-fossil flexibility such as demand **side** response and storage **by introducing additional criteria or features in the design.**

(38) To **contribute to the achievement of** the national objective for non-fossil flexibility, Member States that apply a capacity mechanism in line with the existing rules should **consider promoting** the participation of non-fossil flexibility such as demand response and **energy** storage in **accordance with their expected contribution to addressing adequacy concerns, and provided that the effectiveness of the capacity mechanism is not undermined.**

Or. en

Justification

Whilst demand response and energy storage can contribute to both adequacy and flexibility, these two concepts should not be confused. Indeed, there is a fundamental difference between the short-term unavailability of power in a given location of the grid and the prolonged lack of generation capacity to cover demand in the whole system. Capacity Mechanisms should promote the participation of demand response and energy storage, but only insofar as the ultimate goal of preserving system adequacy is not undermined.

Amendment 306

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 38

Text proposed by the Commission

Amendment

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand **side** response and storage by introducing additional criteria or features in

(38) To achieve the national objective for non-fossil flexibility such as demand side response and storage investment needs, Member States can design or redesign capacity mechanisms in order to create a green and flexible capacity mechanism. Member States that apply a capacity mechanism in line with the existing rules should promote the participation of non-fossil flexibility such as demand response and **energy** storage by introducing additional criteria or features in

the design.

the design.

Or. en

Amendment 307

Henna Virkkunen, Tomas Tobé, Sara Skyttedal

Proposal for a regulation

Recital 38 a (new)

Text proposed by the Commission

Amendment

(38a) Moreover, there is a need to enhance the regulatory framework to guarantee long-term deployment of sufficient flexible capacity. Therefore the Commission should conduct a comprehensive assessment of the current framework, focusing on its effectiveness in incentivising investments in flexible capacity necessary for reaching the Union's climate and renewable energy targets. If appropriate, the Commission should accompany the report with a legislative proposal.

Or. en

Justification

Deployment of renewable energy has accelerated significantly in recent years but investments in flexible capacity have not, while investments in inflexible fossil fuel baseload assets have continued. These investments have taken place in the context of existing mechanisms that prioritise the provision of generation capacity without considering its other technological capabilities such as ramp up and ramp down times. It is evident that there is a need for improvement to ensure that support is directed towards diverse flexible capacity options rather than inflexible assets.

Amendment 308

Paolo Borchia, Isabella Tovaglieri, Matteo Adinolfi

Proposal for a regulation

Recital 39

Text proposed by the Commission

Amendment

(39) To support environmental protection objectives the CO2 emissions' limit, set out in Article 22(4) of Regulation (EU) 2019/943 of the European Parliament and of the Council, should be seen as an upper limit. Therefore, Member States could set technical performance standards and CO2 emissions' limits that restrict participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity mechanisms. *deleted*

²⁷ *Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).*

Or. en

Justification

The objective of capacity mechanisms is to remunerate generators to be available in times of expected system stress. The reform should be careful with opening to the opportunity of including additional limitations that, without proper assessment, could be detrimental to the objective of addressing adequacy concerns.

Amendment 309
Pietro Fiocchi

Proposal for a regulation
Recital 39

Text proposed by the Commission

Amendment

(39) To support environmental protection objectives the CO2 emissions' limit, set out in Article 22(4) of Regulation (EU) 2019/943 of the European Parliament and of the Council, *deleted*

should be seen as an upper limit. Therefore, Member States could set technical performance standards and CO2 emissions' limits that restrict participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity mechanisms.

²⁷ Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).

Or. en

Amendment 310
Marina Measure, Marc Botenga

Proposal for a regulation
Recital 39

Text proposed by the Commission

(39) To support environmental protection objectives the CO2 emissions' limit, set out in Article 22(4) of Regulation (EU) 2019/943 of the European Parliament and of the Council, should be seen as an upper limit. Therefore, Member States could set technical performance standards and CO2 emissions' limits that restrict participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity mechanisms.

Amendment

(39) To support environmental protection objectives the CO2 emissions' limit, set out in Article 22(4) of Regulation (EU) 2019/943 of the European Parliament and of the Council, should be seen as an upper limit. ***This limit should be reviewed periodically by the Commission and gradually lowered with the objective to reach 250g CO2 of fossil fuel origin per kWh of electricity in 2040.*** Therefore, Member States could set technical performance standards and CO2 emissions' limits that restrict participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity

mechanisms.

²⁷ Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).

²⁷ Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).

Or. en

Justification

Capacity mechanism can be key to ensure the roll-out of renewables by providing flexible back-up generations, but they have until now mainly subsidized fossil-based generation facilities.

Amendment 311 **Marian-Jean Marinescu**

Proposal for a regulation **Recital 39**

Text proposed by the Commission

(39) To support environmental protection objectives the CO₂ emissions' limit, set out in Article 22(4) of Regulation ***(EU) 2019/943 of the European Parliament and of the Council***, should be seen as an upper limit. Therefore, Member States could set technical performance standards and CO₂ emissions' limits that ***restrict*** participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity mechanisms.

²⁷ Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).

Amendment

(39) To support environmental protection objectives the CO₂ emissions' limit, set out in Article 22(4) of ***this*** Regulation, should be seen as an upper limit. Therefore, Member States could set technical performance standards and CO₂ emissions' limits that ***facilitate*** participation in capacity mechanisms to flexible, fossil-free technologies in full alignment with the Guidelines on State aid for climate, environmental protection and energy²⁷ which encourage Member States to introduce green criteria in capacity mechanisms.

²⁷ Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).

Amendment 312

Zdzisław Krasnodębski

on behalf of the ECR Group

Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 39 a (new)

Text proposed by the Commission

Amendment

(39a) Security of supply is paramount for the Union and Member States, and must be ensured by properly designing electricity markets. Uninterrupted access to energy to all customers, primary to vulnerable households, is one of the basic rights stemming from the Union legal and political practice, particularly from the European Pillar of Social Rights. Therefore, ensuring energy supply is one of the core task for Member States, which must be executed in a manner that balances the main objectives of this Regulation: security, sustainability, and affordability. If there is a serious risk related to the achievement of one of these principles, the Member States, in cooperation with the Commission, shall do its utmost, acting in good faith, to reach these principles.

Amendment 313

Maria da Graça Carvalho, Massimiliano Salini, Lara Comi, Seán Kelly, Angelika Niebler, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 40

Text proposed by the Commission

Amendment

(40) In addition, if Member States do

deleted

not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Or. en

Amendment 314

Paolo Borchia, Isabella Tovaglieri, Matteo Adinolfi

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) In addition, *if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient* to achieve national objective for demand response and storage investment needs *they* could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Amendment

(40) In addition, to achieve national objective for demand response and **energy** storage investment needs, **Member States** could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage. ***The energy crisis has demonstrated the need for flexible back-up generation, a need which is more acute with an increasing share of renewables in the electricity mix or when the level of interconnections in a Member State is not sufficiently developed. Therefore, in order to facilitate the integration of an increasing share of renewable generation into the electricity system, capacity mechanisms and flexibility support schemes should be considered as a possible structural element of national markets where this is determined following an assessment of system needs.***

Or. en

Justification

To the extent that system adequacy and availability of flexible resources are two distinct goals, flexibility support schemes should coexist with CRMs, and their introduction should not be subordinated to a failure of the latter in delivering flexible resources.

Amendment 315

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) In addition, ***if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient*** to achieve national objective for demand response and storage investment needs ***they*** could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Amendment

(40) In addition, to achieve national objective for demand response and storage investment needs ***Member States*** could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Or. en

Amendment 316

Zdzisław Krasnodebski

on behalf of the ECR Group

Izabela-Helena Kloc, Elżbieta Kruk

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) In addition, ***if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient*** to achieve national objective for demand response and storage investment needs ***they*** could apply flexibility support schemes consisting of

Amendment

(40) In addition, to achieve national objective for demand response and storage investment needs ***Member States*** could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Or. en

Amendment 317
Pilar del Castillo Vera

Proposal for a regulation
Recital 40

Text proposed by the Commission

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Amendment

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply **voluntary** flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand side response and storage.

Or. en

Justification

Demand response mechanisms should remain voluntary. The energy market should not depend on user flexibility or have a negative impact on the continuity of the production processes.

Amendment 318
Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 40

Text proposed by the Commission

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design

Amendment

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design

of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand *side* response and storage.

of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of non-fossil flexibility such as demand response and *energy* storage.

Or. en

Amendment 319

Maria Spyra

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of *non-fossil* flexibility such as demand side response and storage.

Amendment

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of flexibility such as demand side response and storage.

Or. en

Amendment 320

Marian-Jean Marinescu

Proposal for a regulation

Recital 40

Text proposed by the Commission

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are

Amendment

(40) In addition, if Member States do not apply a capacity mechanism or if the additional criteria or features in the design of their capacity mechanism are

insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of **non-fossil** flexibility such as demand side response and storage.

insufficient to achieve national objective for demand response and storage investment needs they could apply flexibility support schemes consisting of payments for the available capacity of flexibility such as demand side response and storage.

Or. en

Justification

For baseload consumers, security of supply at affordable prices is essential. To achieve that, solid adequacy and flexibility instruments are needed. The more flexible the system is (generation that can rapidly turn on or off, storage that can absorb or put power onto the system, or responsive consumers who can increase or decrease their demand for power) the more stable prices can be and the more renewable energy the system can integrate.

Amendment 321 **Angelika Niebler**

Proposal for a regulation **Recital 40 a (new)**

Text proposed by the Commission

Amendment

(40a) The energy crisis has shown the need for flexible back-up capacity mechanisms in Member States. These mechanisms will become even more important as the share of renewables in the electricity mix increases to achieve the goals of the green transition. Therefore, if an assessment of resource adequacy suggests the need to flexible back-up generation, the introduction of capacity mechanisms as a possible structural element of national markets should be facilitated.

Or. en

Amendment 322 **Tiziana Beghin**

Proposal for a regulation
Recital 41

Text proposed by the Commission

(41) The connection of new generation and demand installations, in particular renewable energy plants, often faces delays in grid connection procedures. One of the reasons for such delays is the lack of available grid capacity at the location chosen by the investor, which implies the need for grid extensions or reinforcements to connect the installations to the system in a safe manner. A new requirement for electricity system operators, both at transmission and distribution levels, to publish and update information on the grid capacity available in their areas of operation would contribute to decision-making by investors on the basis of information of grid capacity availability within the system and thus to the required acceleration in the deployment of renewable energy.

Amendment

(41) The connection of new generation and demand installations, in particular renewable energy plants, often faces delays in grid connection procedures. One of the reasons for such delays is the lack of available grid capacity at the location chosen by the investor, which implies the need for grid extensions or reinforcements to connect the installations to the system in a safe manner. A new requirement for electricity system operators, both at transmission and distribution levels, to publish and update information on the grid capacity available in their areas of operation would contribute to decision-making by investors on the basis of information of grid capacity availability within the system and thus to the required acceleration in the deployment of renewable energy. ***Such information requirement shall also support the decisions of local actors interested in the uptake of self-consumption from community-owned energy production as well as help Member States and Local Authorities to better allocate investments to finance necessary network reinforcements, especially in distribution network, to allow local production and supply of energy. Overall, supporting such investments will also ensure a more successful and democratic energy transition, increasing public acceptance ensuring that the EU can meet its climate and energy targets.***

Or. en

Justification

The particular characteristics of community owned energy production - having non-profit purpose and focusing on the collective good, democratic ownership and governance, local control, with different ways of financing activities including relying strongly on volunteer work - present opportunities for social innovation at the local level. However, these same

characteristics may prevent energy communities from finding suitable spaces to install production and to navigate administrative procedures.

Amendment 323
Pernille Weiss

Proposal for a regulation
Recital 41

Text proposed by the Commission

(41) The connection of new generation and demand installations, in particular renewable energy plants, often faces delays in grid connection procedures. One of the reasons for such delays is the lack of available grid capacity at the location chosen by the investor, which implies the need for grid extensions or reinforcements to connect the installations to the system in a safe manner. A new requirement for electricity system operators, both at transmission and distribution levels, to publish and update information on the grid capacity available in their areas of operation would contribute to decision-making by investors on the basis of information of grid capacity availability within the system and thus to the required acceleration in the deployment of renewable energy.

Amendment

(41) The connection of new generation and demand installations, in particular renewable energy plants, often faces delays in grid connection procedures. One of the reasons for such delays is the lack of available grid capacity at the location chosen by the investor, which implies the need for grid extensions or reinforcements to connect the installations to the system in a safe manner. A new requirement for electricity system operators, both at transmission and distribution levels, to publish and update information on the grid capacity available in their areas of operation would contribute to decision-making by investors on the basis of information of grid capacity availability within the system and thus to the required acceleration in the deployment of renewable energy. ***Moreover, member states should take action to guarantee sufficient prioritization and fast-tracking of planning and permitting for grid infrastructure projects by all relevant authorities, by using, but not limited to, the relevant provisions from Council Regulation 2022/2577.***

Or. en

Amendment 324
Tiziana Beghin

Proposal for a regulation

Recital 42

Text proposed by the Commission

(42) Furthermore, to tackle the problem of lengthy reply times on requests for connection to the grid, transmission and distribution system operators should provide clear and transparent information to system users about the status and treatment of their connection requests. Transmission and distribution system operators should **endeavour to** provide such information within a period of **three** months from the submission of the request.

Amendment

(42) Furthermore, to tackle the problem of lengthy reply times on requests for connection to the grid, transmission and distribution system operators should provide clear and transparent information to system users about the status and treatment of their connection requests, **including estimated grid connection costs where relevant, as well as publicly available timelines and procedures.** Transmission and distribution system operators should provide such information within a period of **two** months from the submission of the request.

Or. en

Justification

Potential active customers interested in energy sharing require upfront information about whether to set up energy sharing initiatives. Often times, DSOs do not provide an estimate for the cost of a grid connection to project developers until late in the process. For small actors, e.g. CER & REC, this presents significant risk and uncertainty for investment. Upfront information is necessary so that projects can plan appropriately. Furthermore, 3 months is too long for a response delaying the process

Amendment 325

Tiziana Beghin

Proposal for a regulation

Recital 42 a (new)

Text proposed by the Commission

Amendment

(42a) Renewable energy communities and citizen energy communities, particularly those that organise themselves as cooperatives, are part of the social and solidarity economy and represent a type of non- commercial market actor in the energy system. In line with the United Nations (UN) General Assembly's resolution on promoting the

social and solidarity economy for sustainable development of 27 March 2023, energy communities engage in economic, social and environmental activities to serve the collective and/or general interest and are based on principles of voluntary cooperation and mutual aid, democratic and participatory governance, autonomy, and primacy of people and social purpose over capital in the distribution and use of surpluses and/or profits resulting from their activities. Nevertheless, their specific characteristics in terms of size, ownership structure, non-commercial purpose and number of projects, hampers their ability to compete on an equal footing with larger commercial market actors, particularly when it comes to access to finance and navigation of administrative procedures, including approval of installations for production of renewable energy and obtaining a grid connection. Measures to offset the disadvantages relating to the specific characteristics of renewable energy communities and locally-controlled citizen energy communities include ensuring access to sites for installations to produce renewable energy, particularly those intended for self-consumption or local supply, ensuring access to a grid connection, and provision of technical and financial support to ease their participation in the system.

Or. en

Justification

As part of the social and solidarity economy, energy communities - particularly cooperatives - represent non-commercial market actors. The particular characteristics of energy communities present opportunities for social innovation at the local level. However, this also means that their potential for growth and professionalisation is more limited than for-profit professionalised market actors and they are at an inherent competitive disadvantage vis-a-vis other larger market actors.

Amendment 326
Tiziana Beghin

Proposal for a regulation
Recital 43

Text proposed by the Commission

(43) During the energy crisis, consumers have been exposed to extremely volatile wholesale energy prices and had limited opportunities to engage in the energy market. Consequently, many households, have been facing difficulties when paying their bills. Vulnerable consumers and the energy poor are the hardest hit²⁸, but middle-income households have also been exposed to such difficulties. It is therefore important to update consumer rights and protections, allowing consumers to benefit from the energy transition, decouple their electricity bills from short term price movements on energy markets and rebalance the risk between suppliers and consumers.

²⁸ Particular groups are more at risk of being affected by energy poverty or more susceptible to the adverse impacts of energy poverty, such as women, persons with disabilities, older persons, children, and persons with a minority racial or ethnic background.

Amendment

(43) During the energy crisis, consumers have been exposed to extremely volatile wholesale energy prices and had limited opportunities to engage in the energy market. Consequently, many households, have been facing difficulties when paying their bills. Vulnerable consumers and the energy poor are the hardest hit²⁸, but middle-income households have also been exposed to such difficulties. It is therefore important to update consumer rights and protections, allowing consumers to benefit from the energy transition, ***take ownership of renewable energy production***, decouple their electricity bills from short term price movements on energy markets and rebalance the risk between suppliers and consumers. ***It is also important to ensure that local communities, including final households, public authorities, renewable energy communities and locally-controlled citizen energy communities, as well as SMEs that are not already active in the energy sector, are able to utilise nearby grid infrastructure and sites for production in order to meet their collective consumption needs.***

²⁸ Particular groups are more at risk of being affected by energy poverty or more susceptible to the adverse impacts of energy poverty, such as women, persons with disabilities, older persons, children, and persons with a minority racial or ethnic background.

Or. en

Justification

Local ownership of production and supply of renewables should be integrated as an overarching principle of the electricity market and serve as a legal basis for developing further legislative and policy measures that both enable local citizens, cooperatives, public authorities and SMEs to take ownership of the further rollout of renewable energy production and unlock local place-based investment so that renewable production can meet local consumption needs.

Amendment 327

Marina Measure, Marc Botenga

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) During the energy crisis, consumers have been exposed to extremely volatile wholesale energy prices and had limited opportunities to engage in the energy market. Consequently, many households, have been facing difficulties when paying their bills. Vulnerable consumers and the energy poor are the hardest hit²⁸, but middle-income households have also been exposed to such difficulties. It is therefore important to update consumer rights and protections, allowing consumers to benefit from the energy transition, decouple their electricity bills from short term price movements on energy markets and rebalance the risk between suppliers and consumers.

Amendment

(43) During the energy crisis, consumers have been exposed to extremely volatile wholesale energy prices and had limited opportunities to engage in the energy market. Consequently, many households, have been facing difficulties when paying their bills. Vulnerable consumers and the energy poor are the hardest hit²⁸, but middle-income households have also been exposed to such difficulties. ***High energy prices have a negative impact on consumers' health, well-being, social inclusion and quality of life : the energy crisis claimed 68,000 lives in Europe^{1a}. It prevents people from adequately heating or cooling their homes, and forces them to live in such conditions that increase health risks (cardiac and respiratory problems for instance).*** It is therefore important to update consumer rights and protections, allowing consumers to benefit from the energy transition, decouple their electricity bills from short term price movements on energy markets and rebalance the risk between suppliers and consumers.

^{1a} ***Study published in The Economist, May 10th 2023***

²⁸ Particular groups are more at risk of being affected by energy poverty or more susceptible to the adverse impacts of energy poverty, such as women, persons with disabilities, older persons, children, and persons with a minority racial or ethnic background.

²⁸ Particular groups are more at risk of being affected by energy poverty or more susceptible to the adverse impacts of energy poverty, such as women, persons with disabilities, older persons, children, and persons with a minority racial or ethnic background.

Or. en

Amendment 328

Marie Toussaint, José Gusmão, Marisa Matias, Gwendoline Delbos-Corfield, Francisco Guerreiro, Marc Botenga, Manon Aubry, Mounir Satouri, Claude Gruffat, Jutta Paulus, Nora Mebarek, Kim Van Sparrentak, Anne-Sophie Pelletier, Idoia Villanueva Ruiz, Bas Eickhout, Caroline Roose, David Cormand, Tineke Strik

Proposal for a regulation Recital 43 a (new)

Text proposed by the Commission

Amendment

(43a) Electricity should be considered as an essential service, a Common that no one should be deprived of to live with dignity. A basic amount of energy, allowing the basic needs of households linked to health and dignity should be considered as a right and must be allowed freely or through an affordable price. This amount should guarantee adequate warmth, cooling, lighting, and energy to power appliances, that are essential services that underpin a decent standard of living and health^{1a}

^{1a} <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32020H1563> Commission Recommendation EU 2020/1563 of 14/10/2020 on energy poverty

Or. en

Justification

These proposals aim at mirroring the Commission Recommendation EU 2020/1563 of

14/10/2020 on energy poverty.

They are also linked to the European Pillar of Social Rights, jointly proclaimed by the European Parliament, the Council and the Commission on 17 November 2017, including energy among the essential services which everyone is entitled to access.

Amendment 329

Miapetra Kumpula-Natri, Erik Bergkvist, Niels Fuglsang

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should ***always*** have the possibility to opt for ***an affordable*** fixed price and fixed term contract and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Amendment

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should ***for example*** have the possibility to opt for ***a market-based*** fixed price and fixed term contract ***to ensure a stable price over a given period*** and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Or. en

Justification

A fixed price fixed-term contract is one example of different contract options. Suppliers cannot guarantee that fixed price, fixed term products will be affordable, as they cannot offer in retail prices better terms than they are able to obtain on the wholesale market where they source the energy. Such products require a certain amount of hedging and can provide a stable price for consumers but depending on the dynamics of the market in a given period, other products may be more affordable. The trade-off between dynamic and fixed contracts is not necessarily related to the affordability of the price the consumer pays, but rather to the predictability of the price they pay.

Amendment 330

Henna Virkkunen

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should **always** have the possibility to opt for **an affordable** fixed price and fixed term contract and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Amendment

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should **for example** have the possibility to opt for **a market based** fixed price and fixed term contract **to ensure a stable price over a given period** and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Or. en

Justification

Suppliers cannot guarantee that fixed price fixed term products will be affordable, as they cannot offer in retail prices better terms than they are able to obtain on the wholesale market where they source the energy.

Amendment 331

Morten Petersen, Claudia Gamon, Emma Wiesner, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should always have the possibility to opt for **an affordable** fixed price and fixed term contract and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Amendment

(44) Consumers should have access to a wide range of offers so that they can choose a contract according to their needs. However, suppliers have reduced their offers, fixed-price contracts have become scarce, and the choice of offers has become limited. Consumers should always have the possibility to opt for **a reasonable** fixed price and fixed term contract **to ensure a stable price over a given period** and suppliers should not unilaterally modify the terms and conditions before such contract expires.

Justification

Change necessary to avoid the risk that 'affordable' is interpreted as something other than a market-based price.

Amendment 332
Tiziana Beghin

Proposal for a regulation
Recital 45

Text proposed by the Commission

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that suppliers are appropriately hedged when offering fixed price contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices.

Amendment

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that suppliers are appropriately hedged when offering fixed price contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices. ***The specificities of SME suppliers, such as cooperatives having smaller supply volumes and aiming at serving collective or general interest rather than generating profits, should be accounted for when considering potential hedging requirements for suppliers. This shall ensure that such requirements do not constitute a disproportionate barrier to SME suppliers entering and operating in the energy market.***

Justification

Renewable energy communities, particularly cooperatives, are non-commercial in nature and adopt different hedging strategies, such as securing own-productions to protect their consumer-members. As small-sized cooperative suppliers often experience difficulty financing

guarantees needed to trade on wholesale and forward markets, the imposition of hedging requirements should not hinder the ability of such suppliers to prioritise supply of own-production to their members.

Amendment 333

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 45

Text proposed by the Commission

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that suppliers are appropriately hedged when offering fixed price contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices.

Amendment

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that suppliers are appropriately hedged when offering fixed price contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices.
Regulatory supervision of hedging strategies should not trigger a shift of legal responsibility from suppliers to the supervising authority.

Or. en

Amendment 334

Maria da Graça Carvalho, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Recital 45

Text proposed by the Commission

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity

Amendment

(45) When suppliers' do not ensure that their electricity portfolio is sufficiently hedged changes in wholesale electricity

prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that suppliers are appropriately hedged when offering fixed price contracts. An appropriate hedging strategy should take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices.

prices can leave them financially at risk and, result in their failure, passing on costs to consumers and other network users. Hence, it should be ensured that **Member States perform regular stress test to assess whether** suppliers are appropriately hedged when offering fixed price contracts. **In case hedging opportunities are insufficient**, an appropriate hedging strategy should **be encouraged and** take into account the suppliers' access to its own generation and its capitalisation as well as its exposure to changes in wholesale market prices.

Or. en

Amendment 335

Morten Petersen, Christophe Grudler, Claudia Gamon, Susana Solís Pérez, Ivars Ijabs

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and sub-metering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. If they so wish, customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. Moreover, with fast-responding dedicated metering devices which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-based demand response schemes

Amendment

(46) Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and sub-metering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. **Consumers should be entitled to request additional meters for this purpose, while bearing the associated costs for their installation or, where applicable, upgrade, under fair, reasonable and cost-effective conditions.** If they so wish, customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to

that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.

price signals. Moreover, with fast-responding dedicated metering devices which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.

Or. en

Amendment 336
Tiziana Beghin

Proposal for a regulation
Recital 46

Text proposed by the Commission

(46) Consumers should be able to choose the supplier which offers them the price and service which best suits their needs. Advances in metering and sub-metering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. If they so wish, customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. Moreover, with fast-responding dedicated metering devices which are attached to or embedded in appliances with flexible, controllable loads,

Amendment

(46) Consumers should be able to choose the supplier ***and third party service provider that can facilitate energy sharing*** which offers them the price and service which best suits their needs. Advances in metering and sub-metering technology combined with information and communication technology mean that it is now technically possible to have multiple suppliers for a single premises. If they so wish, customers should be able to use these possibilities to choose a separate supplier notably for electricity to power appliances such as heat pumps or electric vehicles which have a particularly high consumption or which also have the capability to shift their electricity consumption automatically in response to price signals. Moreover, with fast-responding dedicated metering devices

final customers can participate in other incentive-based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.

which are attached to or embedded in appliances with flexible, controllable loads, final customers can participate in other incentive-based demand response schemes that provide flexibility services on the electricity market and to transmission and distribution system operators. Overall, such arrangements should contribute to the increased uptake of demand response and to consumer empowerment allowing them to have more control over their energy use and bills, while providing to the electricity system additional flexibility in order to cope with demand and supply fluctuations.

Or. en

Justification

The right to choose supplier should also apply to third party service providers that facilitate energy sharing.

Amendment 337

Tiziana Beghin

Proposal for a regulation

Recital 49

Text proposed by the Commission

(49) Energy sharing can create resilience against the effects of high and volatile wholesale market prices on consumers' energy bills, empowers a wider group of consumers that do not otherwise have the option of becoming an active customer due to financial or spatial constraints, such as energy poor and vulnerable consumers, and leads to increased uptake of renewable energy by mobilising additional private capital investments and diversifying remuneration pathways. With the integration of appropriate price signals and storage facilities, electricity sharing can help lay the foundation to help tap into the flexibility potential of smaller consumers.

Amendment

(49) Energy sharing can create resilience against the effects of high and volatile wholesale market prices on consumers' energy bills, empowers a wider group of consumers that do not otherwise have the option of becoming an active customer due to financial or spatial constraints, such as energy poor and vulnerable consumers, and leads to increased uptake of renewable energy by mobilising additional private capital investments and diversifying remuneration pathways. With the integration of appropriate price signals and storage facilities, electricity sharing can help lay the foundation to help tap into the flexibility potential of smaller consumers, ***making sure that the ownership of the***

shared production from renewable installations and energy storage facilities, regardless of whether a third party owns the production installation, always stay with the local actors that participate in the energy sharing projects. Furthermore, the third party should remain subject to the instructions of the active customers participating in the energy sharing initiative. To ensure that third parties attached to integrated undertakings do not utilize energy sharing to lock consumers into using their or their other integrated enterprises' services, active customers should be able to exercise the right to switch service providers or supplier, regardless of which party owns the production installation used for energy sharing.

Or. en

Justification

Benefits of energy sharing include control over means of production and energy price. While third party ownership can promote investment in decentralised renewable energy production, commercial third parties may interfere with consumer welfare. Energy sharing should not further expose consumers to higher prices determined by third party owners of production installations. Ownership and decision making over production in the context of energy sharing should be kept with the participants.

Amendment 338

Mercedes Bresso, Patrizia Toia

Proposal for a regulation

Recital 50

Text proposed by the Commission

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored by jointly leased, rented or owned facilities, either directly or through a third-party facilitator. Energy

Amendment

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored by jointly leased, rented or owned facilities, either directly or through a third-party facilitator. **Active**

sharing arrangement are either based on private contractual agreement between active customers or organised through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers.

customers should receive a remuneration reflecting the market value of the self-generated renewable energy they feed into the grid. Member states should guarantee a fair level of remuneration, ensuring that in the power purchase agreements the difference between the purchase and selling price remains limited. Energy sharing arrangement are either based on private contractual agreement between active customers or organised through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers.

Or. en

Amendment 339
Marina Measure, Marc Botenga

Proposal for a regulation
Recital 50

Text proposed by the Commission

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored *by jointly leased, rented or owned facilities, either directly or through a third-party facilitator.* Energy sharing *arrangement* are either based on private contractual agreement between active customers or organised

Amendment

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored. *The development of energy sharing facilities should take into account the large scale constraints and requirements of the grid system.* Energy sharing *arrangements* are either based on private contractual agreement between

through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers.

active customers or organised through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers. ***The Commission should provide within the two years following the entry in force of this directive an impact assessment on the additional cost generated for the transmission and distribution system operators.***

Or. en

Justification

Energy sharing facilities must remain small scale generations sites and they can cause congestion in the grid, it is therefore paramount that the TSOs and DSOs supervise their implementation and connection to the grid.

Amendment 340

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 50

Text proposed by the Commission

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored by jointly leased, rented or owned facilities, either directly or through a third-party facilitator. Energy sharing arrangements are either based on private contractual agreement between

Amendment

(50) Active customers that own, lease or rent a storage or generation facility should have the right to share excess production and empower other consumers to become active, or to share the renewable energy generated or stored by jointly leased, rented or owned facilities, either directly or through a third-party facilitator. ***Any payment for sharing of excess production for a price can either be settled directly***

active customers or organised through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers.

between active customers or automated through a trading platform. Energy sharing arrangements are either based on private contractual agreement between active customers or organised through a legal entity. A legal entity that incorporates the criteria of a renewable energy community as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council or a citizen energy community as defined in Directive (EU) 2019/944 of the European Parliament and of the Council can share with their members electricity generated from facilities they have in full ownership. The protection and empowerment framework for energy sharing should pay particular attention to energy poor and vulnerable consumers.

Or. en

Justification

The tools used for the financial accounting of overproduction should not be limited to peer-to-peer IT solutions.

Amendment 341 Tiziana Beghin

Proposal for a regulation Recital 50 a (new)

Text proposed by the Commission

Amendment

(50a) There is a need to make it easier for non-professional and non-commercial market actors to successfully navigate obtaining relevant licenses and approvals or authorisations. This should be facilitated by allocating local space so that energy communities can install renewable energy production, obtain a grid connection, and maintain access to the grid to share energy locally. In easing the ability of energy communities to share energy with each other, public authorities

and relevant transmission and distribution system operators should streamline the administrative process for energy community sharing projects, provide a dedicated window or contact point, so that they can access information and register their projects, and receive technical assistance.

Or. en

Justification

Public authorities and distribution system operators need legal clarity to provide positive discrimination in a proportionate manner so that energy communities can have suitable spaces to install production, to navigate administrative procedures around licenses, permits and grid connections, and to operate particularly in local and regional areas that are suitable for renewable energy production to meet local consumption needs of citizens

Amendment 342

Marina Mesure, Marc Botenga

Proposal for a regulation

Recital 51

Text proposed by the Commission

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill. The output of these facilities should be distributed among the aggregated consumer load profiles based on static, variable or dynamic calculation methods that can be pre-defined or agreed upon by the active customers.

Amendment

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill. The output of these facilities should be distributed among the aggregated consumer load profiles based on static, variable or dynamic calculation methods that can be pre-defined or agreed upon by the active customers. ***Active customers participating in energy sharing should be financially responsible for the imbalances and impact they may cause to the***

electricity system, either directly or indirectly. All consumer rights and obligations in this Directive will apply to final customers participating in energy sharing schemes. However, households with an installed capacity up to 10.8 kW for single households and up to 50 kW for multi-apartment blocks should not be required to comply with the obligations of suppliers.

Or. en

Justification

Energy sharing facilities may represent a technical burden for TSOs and DSOs, therefore active customers must be subject to the same rights and obligations of final customers.

Amendment 343

András Gyürk, Ernő Schaller-Baross

Proposal for a regulation

Recital 51

Text proposed by the Commission

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill. ***The output of these facilities should be distributed among the aggregated consumer load profiles based on static, variable or dynamic calculation methods that can be pre-defined or agreed upon by the active customers.***

Amendment

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill ***and taking it into consideration for the Balancing Responsible Party allocation process.***

Or. en

Justification

In order to perform the netting of the shared electricity with the total metered consumption within a time interval no longer than the imbalance settlement period the matching should be calculated based on measurements provided by (smart) meters and dedicated measurement devices.

Amendment 344 **Tiziana Beghin**

Proposal for a regulation **Recital 51**

Text proposed by the Commission

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill. The output of these facilities should be distributed among the aggregated consumer load profiles based on static, variable or dynamic calculation methods that can be pre-defined or agreed upon by the active customers.

Amendment

(51) Energy sharing operationalises the collective consumption of self-generated or stored electricity injected into the grid by more than one jointly acting active customers. Member States should put in place the appropriate IT infrastructure to allow for the administrative matching within a certain timeframe of consumption with self-generated or stored renewable energy for the purpose of calculating the energy component of the energy bill **and netted energy that will not be accounted for**. The output of these facilities should be distributed among the aggregated consumer load profiles based on static, variable or dynamic calculation methods that can be pre-defined or agreed upon by the active customers.

Or. en

Justification

Italy lacks energy set off and peer-to-peer trading. In application of Regulation 2017/2195 art. 52 (3), Italy implemented a central dispatch model where resources are allocated by TSO and not directly by traders. Arera in <https://www.arera.it/it/docs/22/390-22.htm> page 44, stated that the government can pay sellers an amount to be deducted from final bills. This does not help consumers, as the wholesale price differs from the average national purchase and the zonal sale price of energy.

Amendment 345

Marina Mesure, Marc Botenga

Proposal for a regulation
Recital 52

Text proposed by the Commission

(52) Vulnerable customers should be adequately protected from electricity disconnections and should, as well, not be put in a position that forces them to disconnect. The role of suppliers and all relevant national authorities to identify appropriate measures, in both the short and the long-term, which should be made available to vulnerable customers to manage their energy use and costs remain essential, including by means of close cooperation with social security systems.

Amendment

(52) Vulnerable customers should be adequately protected from electricity disconnections and should, as well, not be put in a position that forces them to disconnect. ***Therefore, Member States should prohibit electricity disconnections of households and SMEs and ensure that household customers receive electricity supply to cover their basic needs, such as lighting, water heating and cooking, space heating and cooling, access to information and communication technologies. Member States should also complement these rights with the adoption of specific measures for the winter season and the summer season, for household customers to help manage their consumption and avoid high settlement bills.*** The role of suppliers and all relevant national authorities to identify appropriate measures, in both the short and the long-term, which should be made available to vulnerable customers to manage their energy use and costs remain essential, including by means of close cooperation with social security systems. ***Any disconnection should always result from a judicial decision and should not be the sole decision of an electricity supplier.***

Or. en

Justification

Disconnections must be banned as they prevent access to the common good that is electricity

Amendment 346
Othmar Karas

Proposal for a regulation

Recital 52 a (new)

Text proposed by the Commission

Amendment

(52a) Whereas the effectiveness of changes made to the electricity market design should be comprehensively assessed in relation to their objectives, including whether lower generation costs of renewable energies are being passed on to end customers to a greater extent than previously. By 30 June 2025, the Commission should evaluate the effects of the regulation and based on the results of this evaluation, propose further legislative changes by 31 March 2026. These changes should focus on reducing retail prices for end customers and may include more far-reaching changes to the electricity market design, specifically changes to the Merit-Order Principle, to ensure that the targets are achieved.

Or. en

Amendment 347

Marie Toussaint, José Gusmão, Marisa Matias, Gwendoline Delbos-Corfield, Francisco Guerreiro, Marc Botenga, Manon Aubry, Mounir Satouri, Claude Gruffat, Jutta Paulus, Nora Mebarek, Kim Van Sparrentak, Anne-Sophie Pelletier, Idoia Villanueva Ruiz, Bas Eickhout, Caroline Roose, David Cormand, Tineke Strik

Proposal for a regulation

Recital 52 a (new)

Text proposed by the Commission

Amendment

(52a) Electricity disconnections should be banned all year long, to protect households' dignity and take into account future heat waves or meteorologic events. It should also be banned and for all types of customers, not only the “vulnerables”, as not being able to pay an energy bill should be a vulnerability criterion in itself. A consumer who is in default of payment and whose energy is cut off is not a bad payer but is a vulnerable

consumer who, before being cut off, has reduced his budget for food, leisure or health.

Or. en

Justification

Banning disconnection in the winter period only would be to penalize countries in which fuel poverty is a problem in the summer period and does not anticipate future heat waves. Moreover, households need light, to use communication devices, the refrigerator all year round ; but also some households need energy for medical reasons year-round.

The definition of vulnerability differs from one Member state to another, which leads to a great disparity in treatment from one country to another.

Fuel poverty and difficulties in paying bills no longer concern only households "traditionally" considered vulnerable but also the middle classes.

We also consider that being unable to pay an energy bill is a vulnerability criterion in itself.

Amendment 348

Marie Toussaint, José Gusmão, Marisa Matias, Gwendoline Delbos-Corfield, Francisco Guerreiro, Marc Botenga, Manon Aubry, Mounir Satouri, Claude Gruffat, Jutta Paulus, Nora Mebarek, Kim Van Sparrentak, Anne-Sophie Pelletier, Idoia Villanueva Ruiz, Bas Eickhout, Caroline Roose, David Cormand, Tineke Strik

Proposal for a regulation

Recital 52 b (new)

Text proposed by the Commission

Amendment

(52b) Power limitation, allowing essential services, should be an alternative to disconnections.

Or. en

Justification

The power limitation allows to save on the existing costs of disconnection and reactivation for the operators. But also to limit the expenses incurred by the household in the event of a power cut (laundry, kitchen,...).

Amendment 349

Marie Toussaint, José Gusmão, Marisa Matias, Gwendoline Delbos-Corfield, Francisco

Guerreiro, Marc Botenga, Manon Aubry, Mounir Satouri, Claude Gruffat, Jutta Paulus, Nora Mebarek, Kim Van Sparrentak, Anne-Sophie Pelletier, Idoia Villanueva Ruiz, Bas Eickhout, Caroline Roose, David Cormand, Tineke Strik

**Proposal for a regulation
Recital 52 c (new)**

Text proposed by the Commission

Amendment

(52c) Disconnection could only be decided by a judge, and all consumers should be entitled to an explanation before they are deprived of a service essential to their dignity.

Or. en

Justification

Only the judge can assess the vulnerability of the household, its ability to repay the debt according to a schedule, and the existence of possible fraud that could justify a cut-off.

Households benefit from a right to adversarial proceedings with the judge to express their difficulties and the causes of their unpaid bills. They can benefit from listening to a third party able to assess their ability to follow a schedule.

**Amendment 350
Marina Mesure, Marc Botenga**

**Proposal for a regulation
Recital 53**

Text proposed by the Commission

Amendment

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a

deleted

negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

Or. en

Justification

Energy crisis situation must be declared by Member States

Amendment 351

Nora Mebarek

Proposal for a regulation

Recital 53

Text proposed by the Commission

Amendment

(53) Public interventions in price setting

(53) Public interventions in price setting

for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

Public intervention in price setting for the supply of electricity is also valid as a public service obligation for the benefit of household customers, micro-enterprises and local and regional authorities. Regulated stacked tariffs for the sale of electricity, covering costs and being

contestable, in the sense that they objectively reflect the costs generated for suppliers, do not by their nature constitute an obstacle to the proper functioning of the retail electricity market.

Or. fr

Amendment 352

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Sara Skytvedal, Tomas Tobé, Christian Ehler, Pernille Weiss, Aldo Patriciello

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of

Amendment

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be ***100% for vulnerable households, while should be*** limited to 80% of median

the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

household consumption for *the other* households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU. ***Member States should refrain from implementing uncoordinated extraordinary measures, such as an inframarginal revenue cap, which already demonstrated their inefficiency in the past, especially because it has led to diverse and contrasting implementation across Member States, increasing investors' uncertainty and jeopardising investments in renewables, and ultimately threatening security of supply and Union decarbonisation targets.***

Or. en

Amendment 353

Robert Hajšel, Marek Paweł Balt

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as

Amendment

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as

a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. ***If necessary, the Commission should issue a decision extending the duration of the electricity price crisis no later than two months before the end of the validity of the initial decision. To avoid economic disruptions and favour certainty, the Commission should propose recommendations on a gradual phase-out of public interventions once the electricity price crisis is over.*** To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

Or. en

Amendment 354
András Gyürk, Ernő Schaller-Baross

Proposal for a regulation
Recital 53

Text proposed by the Commission

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. ***The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year.*** To the extent that any ***of the*** measures envisaged by the present Regulation constitute State aid, the provisions

Amendment

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. To the extent that any ***such*** measures constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

Or. en

Amendment 355

Niels Fuglsang, Erik Bergkvist, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. The Commission should determine when such an electricity price crisis exists and consequently when this possibility

Amendment

(53) Public interventions in price setting for the supply of electricity constitute, in principle, a market-distortive measure. Such interventions may therefore only be carried out as public service obligations and are subject to specific conditions. Under this Directive regulated prices are possible for energy poor and vulnerable households, including below costs, and, as a transition measure, for households and micro-enterprises. In times of crisis, when wholesale and retail electricity prices increase significantly, and this is having a negative impact on the wider economy, Member States should be allowed to extend, temporarily, the application of regulated prices also to SMEs. For both households and SMEs, Member States should be temporarily allowed to set regulated prices below costs as long as this does not create distortion between suppliers and suppliers are compensated for the costs of supplying below cost. However, it needs to be ensured that such price regulation is targeted and does not create incentives to increase consumption. Hence, such price regulation should be limited to 80% of median household consumption for households, and 70% of the previous year's consumption for SMEs. ***Congestion revenues should also be available to finance such consumer support measures during an energy price***

becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

crisis. The Commission should determine when such an electricity price crisis exists and consequently when this possibility becomes applicable. The Commission should also specify the validity of that determination, during which the temporary extension of regulated prices applies, which may be for up to one year. To the extent that any of the measures envisaged by the present Regulation constitute State aid, the provisions concerning such measures are without prejudice to the application of Articles 107 and 108 TFEU.

Or. en

Amendment 356
Angelika Winzig

Proposal for a regulation
Recital 53 a (new)

Text proposed by the Commission

Amendment

(53a) Electricity markets experienced high and highly volatile prices since September 2021 with peak wholesale electricity prices in August 2022. The high electricity prices resulted from the dependency on the wholesale prices for natural gas, which was necessary for the production of the amount of electricity needed to cover the final electricity demand.

To be prepared for future energy price shocks, a mechanism should be developed and implemented to absorb the impact of high price shocks of energy resources on electricity prices.

Within [XX] months after entry into force of this Regulation and after consultation with ACER and relevant stakeholders, the commission shall design and propose such a "temporary emergency electricity price shock absorber mechanism", accompanied by a thorough report

assessing the mechanisms impact on the functioning of electricity markets, the liquidity of short term markets and bidding behaviour.

The impact assessment shall be accompanied by specific guidance on the implementation details of such mechanism.

Or. en

Amendment 357
Marian-Jean Marinescu

Proposal for a regulation
Recital 53 a (new)

Text proposed by the Commission

Amendment

(53a) The European electricity market should be equipped with temporary measures, such as a price shock absorber mechanism, addressing high electricity prices in a harmonized manner, preserving the level playing field and market integrity, without affecting investment signals in new generation capacity. Stable, predictable and globally-competitive electricity prices preserve existing electro-intensive industrial production capacities while encouraging long-term investments and also sending the right investment signals to other sectors to electrify.

Or. en

Justification

A mechanism (such as a price shock absorber) aiming at relieving the price pressure leading to exceptionally high electricity prices occurring during crisis situations.

Amendment 358
Marian-Jean Marinescu

Proposal for a regulation
Recital 53 b (new)

Text proposed by the Commission

Amendment

(53b) A price shock absorber mechanism would act as a temporary and voluntary relief valve designed to limit the ability of gas-fired generation to set wholesale electricity market clearing prices in case of high electricity prices, where the accumulated inframarginal rents reach a level that is no longer contributing to the EU electricity market's objective to ensure electricity prices at globally competitive levels. While keeping the merit order curve, fundamental to the EU electricity market, a price shock absorber mechanism could combine 'pay-as-bid' and 'pay-as-clear' models. The final price would be set uniformly for all market participants and the lower power prices will be equally spread to all consumers.

Or. en

Justification

A price shock absorber mechanism should be designed to spread benefits to all consumers and to maintain the merit order curve, which is fundamental to the EU electricity market.

Amendment 359
Marian-Jean Marinescu

Proposal for a regulation
Recital 53 c (new)

Text proposed by the Commission

Amendment

(53c) The EU Agency for the Cooperation of Energy Regulators shall be tasked to prepare a detailed assessment and modelling of such price shock absorber mechanism or other measures of equivalent effect for the purpose of ensuring the integrity and good functioning of the European electricity

market and for preserving investment signals for new generation capacity. The assessment shall be accompanied by comprehensive guidance on the design and practical implementation of the mechanism, based on a non-exhaustive but cumulative list of principles to be observed for the purpose of safeguarding against market distortions, negative impact on security of supply or on cross-border electricity trade. The implementation of the mechanism shall not lead to increased electricity consumption and must not result in changed bidding behaviour of power generators and speculation.

Or. en

Justification

Taking in account the provisions of Regulation 2022/2576 and 2022/2578, ACER should be assigned with the task of completing the assessment of a price shock absorber (or other measures of equivalent effect) and to provide guidance to ensure an efficient design.

Amendment 360 **Tiziana Beghin**

Proposal for a regulation
Article 1 – paragraph 1 – point -1 (new)
Regulation (EU) 2019/943
Recital 4

Present text

(4) This Regulation establishes rules to ensure the functioning of the internal market for electricity and includes requirements related to the development of renewable forms of energy and environmental policy, in particular specific rules for certain types of renewable power-generating facilities, concerning balancing responsibility, dispatch and redispatching, as well as a threshold for CO₂ emissions of new generation capacity where such

Amendment

(-1) Recital 4 is amended as follow:

"(4) This Regulation establishes rules to ensure the functioning of the internal market for electricity and includes requirements related to the development of renewable forms of energy and environmental policy, in particular specific rules for certain types of renewable power-generating **and energy storage** facilities, concerning balancing responsibility, dispatch and redispatching, as well as a threshold for CO₂ emissions of new

capacity is subject to temporary measures to ensure the necessary level of resource adequacy, namely, capacity mechanisms.

generation capacity where such capacity is subject to temporary measures to ensure the necessary level of resource adequacy, namely, capacity mechanisms."

Or. en

(32019R0943)

Justification

Energy storage as a complement to renewable energy generation is of paramount importance to achieve a decarbonized electricity system powered by renewables and with sufficient flexibility and capacity. The explicit mention of the term "energy storage" is therefore deemed appropriate.

Amendment 361
Tiziana Beghin

Proposal for a regulation
Article 1 – paragraph 1 – point -1 a (new)
Regulation (EU) 2019/943
Recital 18

Present text

(18) Commission Regulation (EU) 2016/631 (9) sets out the requirements for grid connection of power-generating facilities to the interconnected system, in particular with respect to synchronous power-generating modules, power park modules and offshore power park modules. Those requirements help to ensure fair conditions of competition in the internal electricity market, to ensure system security and the integration of electricity from renewable sources, and to facilitate Union-wide trade in electricity. Articles 66 and 67 of Regulation (EU) 2016/631 set out rules for emerging technologies in electricity generation

Amendment

(-1 a) Recital 18 is amended as follow:

"(18) Commission Regulation (EU) 2016/631 (9) sets out the requirements for grid connection of power-generating facilities to the interconnected system, in particular with respect to synchronous power-generating modules, power park modules and offshore power park modules. Those requirements help to ensure fair conditions of competition in the internal electricity market, to ensure system security and the integration of electricity from renewable sources ***and energy storage***, and to facilitate Union-wide trade in electricity. Articles 66 and 67 of Regulation (EU) 2016/631 set out rules for emerging technologies in electricity generation"

Or. en

(32019R0943)

Justification

Energy storage as a complement to renewable energy generation is of paramount importance to achieve a decarbonized electricity system powered by renewables and with sufficient flexibility and capacity. The explicit mention of the term “energy storage” is therefore deemed appropriate.

Amendment 362
Günther Sidl

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – introductory part

Text proposed by the Commission

Amendment

(1) Article 1 is amended as follows:

(1) ***Energy is not a commodity like any other, but an essential basis of our economic and social system. Therefore, energy supply is classified as a service of general interest. The main task of the energy sector is a secure, affordable, and sustainable supply of energy. Consumer prices for electricity must reflect actual production costs (plus an appropriate profit mark-up). This means that the wholesale price must correspond to the average costs of all types of electricity production and not the maximum price, as is currently the case. In order to ensure an appropriate remuneration for electricity producers, investment security and the expansion of renewable energy, technology-dependent prices are necessary.***

Article 1 is amended as follows:

Or. en

Amendment 363
Marina Measure, Manon Aubry, Emmanuel Maurel, Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point a

Text proposed by the Commission

(b) set ***fundamental*** principles ***for well-functioning, integrated electricity markets, which allow all resource providers and electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, ensure competitiveness on the global market,*** enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency, ***facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-based remuneration of electricity generated from renewable sources;***

Amendment

(b) set ***fundamentals*** principles ***to ensure the establishment of a price of electricity based average production costs and amortization instead of marginal pricing system,*** enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency ;

Or. en

Justification

Price setting of electricity should be based on the average real costs of electricity rather than following marginal pricing scheme that lead to an energy crisis.

Amendment 364

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point a

Article 1 – point b

Electricity regulation

Text proposed by the Commission

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and

Amendment

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and

electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, ensure competitiveness on the global market, enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-based remuneration of electricity generated from renewable sources;

electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower **and protect** consumers, **ensure a level playing field for distributed renewable energy installations owned by citizens and energy communities**, ensure competitiveness on the global market, enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency **and savings**, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-based remuneration of electricity generated from renewable sources;

Or. en

Amendment 365
Tiziana Beghin

Proposal for a regulation
Article 1 – paragraph 1 – point 1 – point a
Regulation (EU) 2019/943
Article 1– point b

Text proposed by the Commission

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, ensure competitiveness on the global market, enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy

Amendment

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, **promoting energy sharing and local ownership of production and supply from renewable energy sources and storing facilities**, ensure competitiveness on the global

efficiency, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-based remuneration of electricity generated from renewable sources;

market, enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-based remuneration of electricity generated from renewable sources;

Or. en

Justification

The Electricity Market Design (EMD) reform cannot create more decentralised, local energy markets overnight. However, the building blocks must be put in place now to make future long-term changes easier. In order to ensure public acceptance of the EU's goal, citizens and their communities need to be able to take ownership and trust in the energy transition. The EMD reform should support local ownership of supply, production, and storage of renewable energy.

Amendment 366 **Susana Solís Pérez**

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point a

Regulation (EU) 2019/943

Article 1 – point b

Text proposed by the Commission

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, ensure competitiveness on the global market, enhance flexibility through demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-

Amendment

(b) set fundamental principles for well-functioning, integrated electricity markets, which allow all resource providers and electricity customers non-discriminatory market access, enable the development of forward electricity markets to allow suppliers and consumers to hedge or protect themselves against the risk of future volatility in electricity prices, empower consumers, ensure competitiveness on the global market, enhance flexibility through **voluntary** demand response, energy storage and other non-fossil flexibility solutions, ensure energy efficiency, facilitate aggregation of distributed demand and supply, and enable market and sectoral integration and market-

based remuneration of electricity generated from renewable sources;

based remuneration of electricity generated from renewable sources;

Or. en

Amendment 367

Maria da Graça Carvalho, Massimiliano Salini, Lara Comi, Seán Kelly, Sara Skytvedal, Tomas Tobé, Henna Virkkunen, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point a

Regulation (EU) 2019/943

Article 1, paragraph b a (new)

Text proposed by the Commission

Amendment

(ba) consider the electricity sector as part of integrated energy systems planning and operation of the energy system as a whole, across multiple energy carriers, infrastructures, and consumption sectors, by creating stronger links between them with the objective of delivering affordable, reliable and resource-efficient energy services, at the least possible cost for society

Or. en

Amendment 368

Tiziana Beghin

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) 2019/943

Article 1 – point e

Text proposed by the Commission

Amendment

(e) support long-term investments in renewable energy generation and *enable* consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil

(e) support long-term investments in *development of* renewable energy generation and *storage capacity and of transmission and distribution networks to fulfil the future needs of electric mobility,*

fuel prices in the medium to long-term.

heat pump buildings cooling and heating, local energy production, sharing and self consumption, thus facilitating electrification and decarbonisation, and enabling consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Justification

To achieve a decarbonized electricity system, alongside investments in renewable capacity, it is crucial to both ensure sufficient storage capacity and reinforce networks, in particular distribution networks, to meet the needs of a more decentralized energy production model centered on self-producing energy communities and energy sharing. This shall also facilitate the transition to electric mobility and heat pumps for cooling and heating, especially in urban centres

Amendment 369 **Michael Bloss**

Proposal for a regulation
Article 1 – paragraph 1 – point 1 – point b
Regulation (EU) 2019/943
Article 1 – point e

Text proposed by the Commission

(e) support long-term investments in renewable energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Amendment

(e) support long-term investments in renewable energy generation and ***non-fossil flexibility to*** enable consumers' to make their energy bills ***affordable and*** less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Amendment 370 **Pernille Weiss**

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b
Regulation (EU) 2019/943
Article 1 – point e

Text proposed by the Commission

(e) support long-term investments in renewable energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Amendment

(e) support long-term investments in renewable energy generation and enable consumers, **who may wish to do so**, to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Amendment 371
Christophe Grudler, Valérie Hayer

Proposal for a regulation
Article 1 – paragraph 1 – point 1 – point b
Regulation (EU) 2019/943
Article 1 – point e

Text proposed by the Commission

(e) support long-term investments in renewable energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Amendment

(e) support long-term investments in renewable **and fossil-free** energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Justification

All objectives and measures set to remove barriers and support growth of PPAs should apply not only to renewable generation but to also carbon-free and non-fossil generation sources, decided by MS in their NECPs as part of their energy mix, in order to achieve the EU's climate goals and lead to more stable prices for consumers. .

Amendment 372
Sara Skyttedal, Tomas Tobé, Henna Virkkunen

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) 2019/943

Article 1 – point e

Text proposed by the Commission

(e) support long-term investments in **renewable** energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Amendment

(e) support long-term investments in **fossil free** energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Justification

By changing "renewable" to "fossil free", the scope is widened and better reflects the different energy mixes of the Member States.

Amendment 373

François-Xavier Bellamy

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) 2019/943

Article 1 – point e

Text proposed by the Commission

(e) support long-term investments in **renewable** energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Amendment

(e) support long-term investments in **low-carbon** energy generation and enable consumers' to make their energy bills less dependent from fluctuations of short-term electricity market prices, in particular fossil fuel prices in the medium to long-term.

Or. en

Amendment 374

Marina Mesure

on behalf of The Left Group

Manon Aubry, Emmanuel Maurel, Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) 2019/943

Article 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) ensure the energy and electricity security and prioritise climate and environmental sustainability over market profits.

Or. en

Justification

Considering the social and environmental impact of electricity generation, general interest considerations shall be at the core of this legislation.

Amendment 375

Marina Mesure

on behalf of The Left Group

Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 1 – point b

Regulation (EU) 2019/943

Article 1 – point e b (new)

Text proposed by the Commission

Amendment

(eb) ensure that sufficient investments are made into the grid and storage capacities to address challenges of increasing share of intermittent generation of electricity and general increase of the use of electricity.

Or. en

Justification

The necessary development of the generation of electricity from renewable sources entails the reinforcement of storage capacity and grid resilience.

Amendment 376
Sandra Pereira

Proposal for a regulation
Article 1 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

Amendment

(1a) re-establish public ownership and strategic state control over the main energy undertakings that have been privatised and restore high-quality public energy services and national, democratic planning of the development of the energy system on the basis of solidarity and international cooperation;

Or. pt

Amendment 377
Marina Mesure, Marc Botenga

Proposal for a regulation
Article 1 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

Amendment

(1a) This article is without prejudice to the right of Member States to organise through a public monopoly the production, distribution and supply of electricity, in line with article 3a of the revised 2019/944 directive.

Or. en

Amendment 378
Michael Bloss

Proposal for a regulation
Article 1 – paragraph 1 – point 1 a (new)
Regulation (EU) 2019/943
Article 1– point a

Present text

(a) set the basis for an efficient achievement of the objectives of the Energy Union and in particular the climate and energy framework for 2030 by enabling market signals to be delivered for increased efficiency, higher share of renewable energy sources, security of supply, flexibility, sustainability, decarbonisation and innovation ;

Amendment

"(a) set the basis for an efficient achievement of the objectives of the Energy Union and ***the goal to achieve climate neutrality by 2050 at the latest***, in particular the climate and energy framework for 2030 by enabling market signals to be delivered for increased efficiency, higher share of renewable energy sources, security of supply, flexibility, sustainability, decarbonisation and innovation ;"

Or. en

(Regulation (EU) 2019/943)

Amendment 379

Sandra Pereira

Proposal for a regulation

Article 1 – paragraph 1 – point 1 b (new)

Text proposed by the Commission

Amendment

(1b) protect consumers in the face of rising energy prices;

Or. pt

Amendment 380

Sandra Pereira

Proposal for a regulation

Article 1 – paragraph 1 – point 1 c (new)

Text proposed by the Commission

Amendment

(1c) combat energy price volatility and lack of transparency in the price formation process;

Or. pt

Amendment 381

Morten Petersen, Claudia Gamon, Andreas Glück, Ivars Ijabs

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 72

Text proposed by the Commission

Amendment

(72) ‘peak hour’ means an hour with the highest electricity consumption combined with a low level of electricity generated from renewable energy sources, taking cross-zonal exchanges into account;

deleted

Or. en

Amendment 382

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 72

Text proposed by the Commission

Amendment

(72) ‘peak hour’ means an hour with the highest electricity consumption combined with a low level of electricity generated from renewable energy sources, taking cross-zonal exchanges into account;

(72) ‘peak hour’ means an hour with the highest electricity consumption combined with a low level of electricity generated from renewable energy sources, **with the highest prices, or where the grid is not able to accommodate the forecasted generation or consumption**, taking cross-zonal exchanges into account;

Or. en

Amendment 383

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi,

Seán Kelly, Sara Skyttedal, Tomas Tobé, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 72

Text proposed by the Commission

(72) ‘peak hour’ means an hour with the highest electricity consumption ***combined with a low level of electricity generated from renewable energy sources***, taking cross-zonal exchanges into account;

Amendment

(72) ‘peak hour’ means an hour with the highest electricity consumption, taking cross-zonal exchanges into account;

Or. en

Amendment 384

Miapetra Kumpula-Natri, Erik Bergkvist, Niels Fuglsang

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 72

Text proposed by the Commission

(72) ‘peak ***hour***’ means an hour with the highest electricity consumption combined with a low level of electricity generated from renewable energy sources, taking cross-zonal exchanges into account;

Amendment

(72) ‘peak ***market time unit***’ means an hour with the highest electricity consumption combined with a low level of electricity generated from renewable energy sources, taking cross-zonal exchanges into account;

Or. en

Justification

(72) and (73) Markets are moving to 15min market time units

Amendment 385

Morten Petersen, Claudia Gamon, Andreas Glück, Ivars Ijabs

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 73

Text proposed by the Commission

Amendment

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak hours determined by the transmission system operator;

deleted

Or. en

Amendment 386

Susana Solís Pérez

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 73

Text proposed by the Commission

Amendment

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak hours determined by the transmission system operator;

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak hours determined by the transmission system operator **or the distribution system operator where applicable**

Or. en

Justification

DSOs should also be allowed to determine peak shaving products as a flexibility tool for their grids to move consumption from peak hours to other hours.

Amendment 387

Michael Bloss

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 73

Text proposed by the Commission

Amendment

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak hours determined by the transmission system operator;

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak hours determined by the transmission **or distribution** system operator;

Or. en

Amendment 388

Miapetra Kumpula-Natri, Erik Bergkvist, Niels Fuglsang

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 73

Text proposed by the Commission

Amendment

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak **hours** determined by the transmission system operator;

(73) ‘peak shaving’ means the ability of market participants to reduce electricity consumption at peak **market time units** determined by the transmission system operator;

Or. en

Justification

(72) and (73) Markets are moving to 15min market time units

Amendment 389

Marina Mesure, Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 73

Text proposed by the Commission

Amendment

(73) ‘peak shaving’ means the ability **of market participants** to reduce electricity consumption at peak hours determined by

(73) ‘peak shaving’ means the ability to reduce electricity consumption at peak hours determined by the transmission

the transmission system operator;

system operator;

Or. en

Justification

Peak shaving is a need for the good functioning of the grid and shall not be subject to market-based consideration.

Amendment 390

Morten Petersen, Claudia Gamon, Andreas Glück, Ivars Ijabs

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 74

Text proposed by the Commission

Amendment

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission system operators;

deleted

Or. en

Amendment 391

Marina Mesure, Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 74

Text proposed by the Commission

Amendment

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission system operators;

deleted

Or. en

Justification

Peak shaving is a need for the good functioning of the grid and shall not be subject to market-based consideration.

Amendment 392
Susana Solís Pérez

Proposal for a regulation
Article 1 – paragraph 1 – point 2
Regulation (EU) 2019/943
Article 2 – point 74

Text proposed by the Commission

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission system operators;

Amendment

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission system operators *or the distribution system operator where applicable*;

Or. en

Justification

DSOs should also be allowed to determine peak shaving products as a flexibility tool for their grids to move consumption from peak hours to other hours.

Amendment 393
Michael Bloss

Proposal for a regulation
Article 1 – paragraph 1 – point 2
Regulation (EU) 2019/943
Article 2 – point 74

Text proposed by the Commission

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission system operators;

Amendment

(74) ‘peak shaving product’ means a market-based product through which market participants can provide peak shaving to the transmission *or distribution* system operators;

Or. en

Amendment 394

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 74

Text proposed by the Commission

(74) ‘peak shaving **product**’ means **a** market-based **product** through which market participants can provide peak shaving **to the transmission system operators**;

Amendment

(74) ‘peak shaving **products**’ means **all** market-based **products** through which market participants can provide peak shaving **actions**;

Or. en

Amendment 395

François-Xavier Bellamy

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 75

Text proposed by the Commission

(75) ‘**virtual hub**’ means **a non-physical region covering more than one bidding zone for which an index price is set in application of a methodology**;

Amendment

deleted

Or. en

Amendment 396

Maria da Graça Carvalho, Massimiliano Salini, Lara Comi, Seán Kelly, Sara Skytvedal, Tomas Tobé, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 75

Text proposed by the Commission

Amendment

(75) ‘virtual hub’ means a non-physical region covering more than one bidding zone for which an index price is set in application of a methodology;

deleted

Or. en

Amendment 397

Marina Mesure

on behalf of The Left Group

Marc Botenga

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 75

Text proposed by the Commission

Amendment

(75) ‘virtual hub’ means a non-physical region covering more than one bidding zone for which an index price is set in application of a methodology;

deleted

Or. en

Amendment 398

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 76

Text proposed by the Commission

Amendment

(76) ‘two-way contract for difference’ means a contract signed between a power generating facility operator and a counterpart, usually a public entity, that

(76) ‘two-way contract for difference’ means a contract signed between a power generating facility operator and a counterpart, usually a public entity, that

provides both minimum remuneration protection and a limit to excess remuneration; ***the contract is designed to preserve incentives for the generating facility to operate and participate efficiently in the electricity markets and complies with the principles set out in Article 4(2) and Article 4(3), first and third subparagraphs, of Directive (EU) 2018/2001;***

provides both minimum remuneration protection and a limit to excess remuneration;

Or. en

Amendment 399
Marina Measure, Marc Botenga

Proposal for a regulation
Article 1 – paragraph 1 – point 2
REGULATION (EU) 2019/943
Article 2 – point 76

Text proposed by the Commission

(76) ‘two-way contract for difference’ means a contract signed between a power generating facility operator and a ***counterpart, usually a public entity***, that provides both minimum remuneration protection and a limit to excess remuneration; ***the contract is designed to preserve incentives for the generating facility to operate and participate efficiently in the electricity markets and complies with the principles set out in Article 4(2) and Article 4(3), first and third subparagraphs, of Directive (EU) 2018/2001;***

Amendment

(76) ‘two-way contract for difference’ means a contract signed between a power generating facility operator and a public entity, that provides both minimum remuneration protection and a limit to excess remuneration ***which amount is decided by public authorities and based on the assessment of the cost of electricity generation and amortization of the investment of the generating facility.***

Or. en

Justification

CFDs are designed to ensure a limitation of profits by electricity producers, which in turn allows a non-market based price setting. Therefore, the main criteria for the reference price of CFD shall be amortization and cost of production.

Amendment 400
Marina Measure, Marc Botenga

Proposal for a regulation
Article 1 – paragraph 1 – point 2
Regulation (EU) 2019/943
Article 2 – point 77

Text proposed by the Commission

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a **natural or legal person agrees to purchase electricity from an electricity producer on a market basis;**

Amendment

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a **public authority decides a fixed price for the remuneration of a generating facility producer, based on the costs of generation of the electricity and amortization of the infrastructure.**

Or. en

Justification

PPAs as designed by the Commission proposal are likely to create inequality of access to such PPAs and lead to a price setting aligned with the market.

Amendment 401
Patrizia Toia

Proposal for a regulation
Article 1 – paragraph 1 – point 2
Regulation (EU) 2019/943
Article 2 – point 77

Text proposed by the Commission

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer on a market basis;

Amendment

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person **or an energy community** agrees to purchase electricity from an electricity producer on a market basis;

Or. en

Amendment 402

Christophe Grudler, Susana Solís Pérez, Valérie Hayer

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 77

Text proposed by the Commission

Amendment

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer on a **market basis**;

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer on **commercial terms**;

Or. en

Justification

Market basis is not defined since PPAs might be partly cost-based or at least not fully exposed to markets.

Amendment 403

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 77

Text proposed by the Commission

Amendment

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer on a **market basis**;

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer on **commercial terms**;

Or. en

Amendment 404

Morten Petersen, Claudia Gamon, Emma Wiesner, Ivars Ijabs

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 77

Text proposed by the Commission

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer **on a market basis**;

Amendment

(77) ‘power purchase agreement’ or ‘PPA’ means a contract under which a natural or legal person agrees to purchase electricity from an electricity producer;

Or. en

Amendment 405

Jens Geier, Marek Paweł Balt, Matthias Ecke

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 77 a (new)

Text proposed by the Commission

Amendment

(77a) ‘renewable energy purchase agreement’ as defined in Article 2(2), point (14p) under amending Directive 2018/2001 [2021/0218(COD) (RED III)];

Or. en

Amendment 406

Maria da Graça Carvalho, Pilar del Castillo Vera, Massimiliano Salini, Lara Comi, Seán Kelly, Christian Ehler, Pernille Weiss, Aldo Patriciello, Angelika Winzig

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2019/943

Article 2 – point 78

Text proposed by the Commission

Amendment

(78) ‘market revenue’ means realised income an electricity producer receives in exchange for the sale and delivery of

deleted

electricity in the Union, regardless of the contractual form in which such exchange takes place, and excluding any support granted by Member States;

Or. en