

A satellite view of Europe at night, showing city lights and the dark outlines of the continent against the blue and black background of space. The image is framed by a dark blue border with a subtle star pattern.

Market4RES

Arthur Janssen, April 28th 2014



Reliable Sustainable Connected

Implementing the Pan-European Vision

Most appropriate time frame to harmonise market design to a Pan-European vision?

- § ENTSO-E is working hard to implement the Target Model
 - «Top-Down», ENTSO-E is working on the Network Codes
 - «Bottom-up», many regional projects started or finished
- § ENTSO-E finds it important to also address any Target Model-improvements with priority
- § To which extent means «Integrated Energy Market» also «harmonization on a national level»?

Expectations on the Project

- § Still a lot to discover on the functioning of a high-RES market!

- § Important to create an objective basis for decisions:
 - Which will be predominant scarcities that the market should solve (capacity, flexibility and further components ?)
 - To which extent can the Target Model ensure an efficient and secure short-term management of a very volatile system?

- § Interesting to evaluate different design options
 - Options to reflect scarcities in spot market and balancing prices.
 - Capacity mechanisms that do not distort these price signals

General Questions

Would the current "EU-Target Model" provide efficient investment signals to reach 2030 RES/GHG goals?

Is the TM's role to provide this investment signals given the nature of energy-only markets and ever-present regulation in them?

- § The Target Model should be implemented,
- § Though, will need to be be amended.
 - Price signal for the short term of concern
 - Price signal for investments of concern
- § Whether these price signals can be "repaired" or whether some sort of capacity mechanism is needed, seems unclear and may depend on national situations.

Appendix

