

XXXIV European Electricity Regulatory Forum

Conclusions

1. Post-2020 renewables framework

The Forum welcomes the work aiming to ensure a sound and timely implementation of the post-2020 renewables framework in order to ensure the market integration of renewables and a stable regulatory framework for renewables investments and a cost-efficient achievement of renewable targets.

The Forum highlights the special need for a sound implementation of the new elements to facilitate the participation of citizens and companies in the energy transition, including renewable energy communities, collective self-consumption, a well-functioning guarantees of origin system and the removal of barriers for renewable power purchase agreements. The Forum calls upon the Commission to have an active role in facilitating the transposition effort carried out by Member States and encourages all Member States to properly reflect all these elements in their NECPs.

The Forum recognizes the importance of the heating and cooling and transport sectors in order to achieve renewable targets cost-efficiently and to contribute to reaching a climate neutral economy and calls upon the Commission and Member States to further facilitate sector integration, including by ensuring a level playing field across sectors e.g., in terms of taxes and levies.

2. Framing bidding zones and cross-border capacity allocation

The Forum acknowledges the timing challenges and technical complexity in relation to the implementation of Articles 14-16 of the new Electricity Regulation.

The Forum underlines the importance of a robust technical bidding zone review based on structural congestion, a fair weighting of all of the elements that need to be taken into account during a review and consideration of the experience of those countries with multiple bidding zones.

The Forum welcomes the coordination role taken by ACER and NRAs towards a consistent approach for monitoring and compliance assessment and encourages the continuation of cooperation with TSOs in relation to the implementation of Art 16. The Forum requests that the calculations of the status quo in relation to the threshold continue apace and are ready in time for all parties to consider the necessary regulatory steps in autumn. The Forum calls on all parties to collaborate and work in a transparent manner involving stakeholders as much as possible. This will also facilitate the coordination of derogations, which must be regionally agreed for a capacity calculation region, and the consultation of national action plans.

3. Coordinating State interventions in support of resource adequacy

The Forum highlights the need for continued and speedy implementation of the new requirements on capacity mechanisms. The Forum urges the timely development of new methodologies (adequacy assessment, cross-border participation framework).

4. Integration of electricity market rules through network codes and guidelines

General NCs

The Forum underlines that network codes and guidelines' implementation is the priority in the next years and that further effort is needed to avoid unnecessary delays with methodologies and to foster convergent approaches between regions and Member States.

The Forum recognizes that limited adaptations to network codes and guidelines may be required as a result of the changes brought by the Clean Energy for all Europeans package, notably in the CACM and SO GLs, based on the experience gained so far and aiming at fostering their implementation but without changes to main policy objectives.

The Forum welcomes the intention of the Commission to launch the development process of network codes in the areas of cybersecurity and demand side flexibility and calls for as much transparency and stakeholder involvement as possible during the early and informal development stages. The Forum underlines that the scope of new network codes should be carefully assessed.

The Forum calls on the Commission to reflect on issues relating to the creation of a level playing field for electricity trading with third countries.

XBID and MCO

The Forum welcomes the successful go-live of the single intraday coupling and congratulates all parties involved. It encourages all parties to further work closely together to ensure the timely go-live of the second and third waves of the single intraday coupling extending it to all borders in the EU.

The Forum acknowledges the good cooperation and work performed in the market-coupling operator governance sub-group. The Forum supports the intention of the EC to consider improvements in CACM GL relating to the MCO governance, learning from the common TSO-NEMO experience.

5. Sector coupling

The Forum calls for integrated specific approaches at both transmission and distribution levels to ensure that work on coupling electricity and gas sectors and on wider sectoral integration is done in a convergent manner.

The Forum further calls on all parties to respect the principle of unbundling although recognises that some flexibility may be needed if the market cannot bring forward solutions, as set out in the Clean Energy Package.

The Forum stresses the need to use market signals to organise sector coupling as a key tool for decarbonisation in a cost-efficient manner. A focus should therefore be put on the removal of existing regulatory barriers, while subsidies for new technologies should be used with caution and focus on pilot and demonstration projects.

The Forum invites the Commission to further foster discussion between all stakeholders in the relevant sectors.

6. TSO-DSO cooperation in active management system

The Forum welcomes the TSO-DSO cooperation on active system management and suggests further strengthening it to clearly define the new roles and responsibilities of system operators.

The Forum suggests that the procurement of flexibility for active system management is market-based following an integrated system approach and that products are open to all resources on a non-discriminatory basis, including distributed resources from generation, demand response and storage. The Forum underlines that regulated curtailment or re-dispatch should be limited to situations in which market-based procurement is not technically feasible or economically efficient.

The Forum welcomes the intention of the European electricity DSOs to establish the EU DSO Entity by early 2021 and encourages the European DSOs associations to set out the process. The Forum underlines the institutional relevance of this entity in Europe to enhance the cooperation between ENTSO-E and the European DSOs for electricity.

7. Cybersecurity

The Forum welcomes the Commission Recommendation of 3 April 2019 on cybersecurity in the energy sector and its intention to launch the process for the development of a network code on cybersecurity. In addition, the Forum encourages the EC to look into certification of energy technologies as well as to reinforce current initiatives on information sharing between trusted experts (e.g., information sharing among Member State authorities and among stakeholders).