

Eurelectric Calls on ITRE Members to Support Compromise Reached by Mr. González Casares and the Shadow Rapporteurs




The EU electricity industry association calls on members of the ITRE committee to support the compromise amendments delivered by MEP González Casares in coordination with the shadow rapporteurs of the main political groups (EPP, Renew, S&D and the Greens) on the Electricity Market Design reform.

The compromise reached among the rapporteur and the shadows moves in the right direction in protecting consumers from the volatility of the short-term markets, solidifying a reliable investment framework, and shoring up adequacy needs to maintain security of supply.

“Although not a perfect proposal, this compromise text presents the best available option among the tabled compromise amendments, especially in that it keeps a European view of the market” said Kristian Ruby, Secretary General at Eurelectric.

In the view of the industry, we are concerned by the three recent alternative compromise amendments related to:

- The proposed provisions for contracts for difference (ACA1, ACA3) would be a worrying form of market intervention. Those amendments are based on the “continued safe exploitation of assets” which is a basic requirement of our industry. It therefore opens the door to using CfDs for all investments in existing capacities and risks leading to a fragmentation of the internal energy market.
- The proposed provision for flexibility support schemes (ACA1) brings added complexity. Where they exist, capacity mechanisms should already include support to flexibility sources, such as demand response and energy storage. We do not see the need for a second layer of support.
- The proposed extraordinary complementary auction for capacity mechanisms (ACA1 and ACA2) risks adding unnecessary complexity to the Regulation. This should ultimately be decided in Member States’ detailed design of their capacity mechanism and not the Regulation itself.

Reference	AM	Tabled By	Eurelectric Recommended Vote
Alternative Compromise Amendment	ACA1	ECR & ID	
Alternative Compromise Amendment	ACA2	MEP Buzek & Krasnodębski	
Compromise Amendment	CA1	EPP, S&D, Renew, Greens	
Alternative Compromise Amendment	ACA3	Grudler et al.	