

Improving the Market for Flexibility in the Electricity Sector

CEPS Task Force Report: Recommendations

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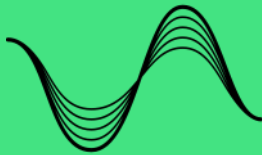
Short-term and balancing markets

1. The diverse national intraday and balancing market designs should be harmonised towards an efficient target model.
2. The existing policies for harmonisation (including pan-European day-ahead and intra-day coupling) should be swiftly implemented.



Grid reinforcement and cross-zonal capacity allocation

1. The capacity allocation mechanism for intraday and balancing markets should be based on a market-based capacity price.
2. Adapting price zones should be considered.
3. Grid reinforcement should receive greater EU support.



Aggregation and demand response

1. Facilitate independent aggregators in a non-discriminatory way, but without introduction of (indirect) subsidies.
2. ACER should monitor member state-level rules for calculating aggregators' net generation/consumption balance.
3. A common platform should accelerate the development of common demand response standards and protocol.



Priority Dispatch

1. Priority dispatch should be phased out for new installations, under the condition of non-discriminatory balancing market, market-based curtailment and fair compensation of fallback curtailment.
2. Renewables should be subject to a 'last-curtailed'-rule, unless other policies facilitate the uptake of high renewables shares and flexibilisation of existing must-run capacities.



Role of DSOs

1. A mechanism for data exchange between DSOs, TSOs and decentral market participants should be developed.
2. Reserves for balancing, congestion management and other ancillary services should be regulated in a way which ensures effective sharing between DSOs and TSOs where possible.



Sectorial Integration

1. In order to adapt policies to the effects and needs of sectoral integration, long-term cross-sectoral energy flows and infrastructure planning should be institutionalized.
2. The EU and member states should consider integrating cross-sectoral infrastructure planning into National Energy and Climate Plans.