Upcoming events

4 July 2017
DINNER DEBATE IN STRASBOURG
*Greening the gas grid: the biomethane opportunity*

4 September 2017
DINNER DEBATE IN BRUSSELS
*Advanced biofuels from waste and residues: the key to achieving ambitious and sustainable transport decarbonisation with RED II*

12 September 2017
DINNER DEBATE IN STRASBOURG
*Energy Efficiency First – Insights from the chemical industry*
EEF Information Bulletin
July 2017

EEF Events

**Discussing key energy issues and the clean energy proposals with energy regulators**

*8 June, Brussels*

*Briefing for MEP Assistants hosted by the EEF*

The EEF organised a briefing for MEP assistants in which energy regulators commented on the current clean energy transition. Four speakers from the Agency for the Cooperation of Energy Regulators (ACER), the Council of European Energy Regulators (CEER) and the Directorate General for Energy exchanged their views with MEP assistants and some industry members from the EEF.

The clean energy transition is transforming the energy market and the role of energy regulators is crucial to coordinate this transformation. The Commission’s proposal to reform ACER is an important step in this direction. However, energy regulators see some points for improvement on the proposed functioning of the agency. **Lord Mogg**, CEER President and Chair of the ACER Board of Regulators, requested more budgetary independence of the National Regulatory Authorities (NRAs), as well as access to information for ACER and NRAs to perform their monitoring functions. He also proposed higher protection of the ACER Board from political institutions and a staff selection made by the ACER Director, rather than by the Board.

The transformation is particularly important in the electricity market due to the introduction of a higher share of renewables. Regulators support the Commission’s proposal of addressing barriers to flexibility. This will increase the share of electricity produced from variable renewable energy sources, including electricity produced by consumers. According to the chair of the ACER/CEER Electricity Group, **Fernando Hernández**, the proposal from the EU executive should take into account market needs and all participants should be responsible for the balancing of the market. This market evolution will also require a better integration of regional markets and cross border trade, as explained by **Alberto Pototschnig**, ACER Director.

In addition to generation and transmission, distribution and consumption is also changing. **Andrew Ebrill**, CEER Secretary General, explained that energy consumers and local networks will play a central role in this new market. The package, according to **Oliver Koch**, Deputy Head of the Internal Market Unit of the Commission’s Directorate for Energy, is ultimately designed to bring prices down for consumers and allow them to better control their consumption.
Increasing flexibility is one of the key challenges of the electricity market reform. This topic was at the top of the European Parliament’s agenda in June with the publication of MEP Krišjānis Kariņš’ draft report on the new electricity market design. The report is based on the Commission’s proposal for a regulation on the internal market for electricity. EEF Member Wärtsilä, a global supplier of flexible power plants, hosted a dinner-debate to discuss how to deliver flexibility in this new context.

There is an almost unanimous view that the electricity market needs to be more flexible in order to integrate the increasing share of energy from renewables. However, views differ on which market model will create the right incentives for flexibility from generation, storage, demand-response and interconnections. Kari Hietanen, Executive Vice-President at Wärtsilä, explained how the value of flexibility can influence the cost of the whole power system. For them, a real-time market which allows scarcity pricing is the best option to send the right investment signals.

Like flexible power plants, energy storage has the potential to enhance the flexibility of the electricity market. For this reason, Wärtsilä invited Greensmith Energy, a US-based storage company, to share experience. Stefan Schauss, Director for Business Development, showed how batteries used in grid support can provide short duration flexibility. But in the EU, the lack of harmonization around energy storage remains a barrier for its deployment.

Interconnections and demand-side response also have their role to play. Hans van Steen, Adviser on renewables, research and innovation at DG Energy, reaffirmed how the European Commission positions itself to address the challenges the electricity market is facing: removal of price caps, better coordination of adequacy assessment for capacity mechanisms and increased cooperation between the TSOs, as well as between the regulators. MEPs and other EEF members raised a range of questions on capacity mechanisms, the sustainability of batteries and the real price of storage.
News from members

Hans Korteweg: new director of COGEN Europe

COGEN Europe has announced the appointment of its new Managing Director, Hans Korteweg. He will be the main representative of COGEN Europe to the EEF.

Hans Korteweg brings a wealth of expertise to his new role at COGEN Europe. He has more than 15 years of energy and environment policy experience, during which time he spearheaded the implementation of effective communications and lobbying strategies for high-growth organisations in Brussels, across Europe and internationally. He also has a decade of association management experience.

IFIEC Europe appoints new president

Steinar Solheim, Head of Energy Regulatory Affairs at Yara International, was elected new President of IFIEC Europe at the annual General Assembly held last May. He succeeds Annette Loske, who has been President of IFIEC Europe over the last two years.

Mr Solheim started his professional career at Norsk Hydro in 1980. He became Head of Energy Sourcing in Hydro Agri (later Yara International) in 2000. 16 years after, he became Head of Energy Regulatory Affairs of Yara International.

Mr Steinar has been a Member of the Management Committee of IFIEC Europe and Chair of the Working Party Gas for several years. He will be the main representative of IFIEC Europe to the EEF.