

January 23, 2017

INFORSE-Europe Comments on the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the internal market for electricity (Recast,COM(2016)861)

Klosterport 4F, 1. fl. DK-8000
Aarhus C, Denmark
Ph: +45-86227000
Fax: +45-86227096
ove@inforse.org

We propose that smaller power producers with installed capacities below 500 kW are always exempted from balancing responsibilities. This should be changed in art.4. In some EU countries unreasonable demands for small renewable energy producers is used to delay the development of renewable energy.

We find it problematic that there cannot be maximum and minimum prices in the electricity markets. It transforms the electricity market to a kind of lottery, where smaller actors are limited in their participation because of the risks involved. It will also be an incentive for the actors with market power to use this power to create situations with extremely high or low prices. This should be changed in art. 9.

We find that it is important for the transition to renewable energy that there continue to be priority dispatch for renewable energy of the sizes used by energy communities. Therefore priority dispatch should be the rule for renewable energy plants up to 18 MW, not only for renewable energy plants of 500 kW and below as in the current draft. This should be changed in art. 12.

Tariffs for access to the electricity grid shall reflect that the electricity production close to the consumption has lower demands on the electricity grids, lower network losses, and require less network extensions. This must be clearly stated in art. 16, because otherwise network tariffs can given an unreasonable favour for larger electricity producers connected to the transmission network.

It must be clear that inter-connector congestion charges can be used to reduce transmission tariffs, for operation and maintenance of transmission infrastructure, and to reduce congestions. It must also be recognised that reduction of congestion can be made either by strengthening flexible demand or by constructing new infrastructure, or by a combination. This should be stated in art.17. It is counter-productive for sustainable development and should be avoided that congestion charges can only be used for construction of electricity transmission infrastructure, as proposed in the current draft.

We support that power plants that participate in the capacity mechanisms has limited CO₂ emissions, but we find that the proposed limit of 550 g/kWh, as proposed in art.23, is too high. We propose to reduce the limit to 400 g/kWh and that in the future capacity mechanisms shall only allow payments to renewable energy plants. The capacity mechanism must not be a mechanism to keep old, polluting power plants alive.

The regional centres for transmission system operations proposed in art.33 shall respect different national demands for security of supply in the countries they cover. This shall be included in art. 33 and art.34.

The decisions of the regional centres shall be subject to changes by the TSO's, if there is a risk for the electricity security in the country or if the decisions compromise the transition to renewable energy. This shall be included in art.33 and art.34.

For specification of comments, reasons, etc., please contact INFORSE-Europe, att. Gunnar Boye Olesen (INFORSE-Europe Coordinator)