

Press Release

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Energy Union: EUGINE applauds initiative for European Market Design

EUGINE welcomes the intention of the European Commission to define a vision for a European Energy Union with a fully integrated internal energy market. EUGINE would like to underline that a reliable electricity market is key for citizens and businesses and must consist of all the components: a suitable network, demand-side flexibility but also flexibility on the supply side.

As increasing shares of intermittent renewables represent a real challenge for the EU energy system, the security of supply with electricity will be one of the main challenges of the energy union. EUGINE is pleased to see, that the European Commission recognises that today's market design does not provide the incentives for sufficient investments in flexibility on demand as well as supply-side. The proposal for a new market design announced for 2015 has to include the right signals to avoid black-outs and grid problems for Europe.

EUGINE President Kari Hietanen comments on the Energy Union plans:

“We very much appreciate, that Energy Union Framework Strategy includes three key elements which we connect with very specific expectations:

- an update of the electricity market design to integrate intermittent renewables, inter alia through balancing responsibilities for all suppliers

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to the market, the charging of full balancing costs and the trading of reserve electricity on short time basis;

- a legal framework for capacity remuneration mechanisms to safeguard the internal market and avoid subsidies for old and less flexible technologies;
- a long-term strengthening of the EU ETS to incentivise investments in low-carbon technologies, including highly-flexible power generation.”

For more information please see www.eugine.eu

EUGINE is the centre of knowledge for engine power plant technology and electricity market design. Its members are the leading European manufacturers of engine power plants and their key components. They provide forward-looking solutions for flexible electricity generation.

EUGINE works with EU and national institutions in order to help the European electricity system to meet the challenges of today and tomorrow.