



PRESS RELEASE

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Electricity Market Design: Nuanced Welcome from Flexible Generation Manufacturers

Today, the European Commission published its proposal to review the electricity market rules. Engine and turbine power plant manufacturers, represented by EUTurbines and EUGINE, appreciate the added value of the proposals, aiming at making the system more resilient against future supply shocks. EUTurbines and EUGINE support the efforts for a fast growth of renewable generation and welcome the understanding that this requires additional flexibility assets. Regretfully, the proposal only considers short-term flexibility and neglects the additional need for long-term flexibility solutions to meet security of supply.

"The increased focus on flexibility is very welcome: the needs for flexible capacity will be huge and it needs to be built up quickly. The bi-annual assessment of flexibility needs by Member States will demonstrate the need for additional investments in flexibility. Today's proposals only support short-term needs, but flexible, distributed power and CHP solutions, able to cover longer supply gaps, also need to be addressed", commented EUGINE Vice-President Carl Richers.

EUTurbines President Sven-Hendrik Wiers added: "Power plants running with renewable molecules such as hydrogen will be an essential energy system assurance. But they are large and capital-intensive projects and will need long-term public or private commitment to be developed. We hope legislators will recognise the need to develop firm, dispatchable and net-zero capacity too".

EUGINE and EUTurbines represent the major manufacturers of engine and turbine power plants. Their members are actively developing innovative solutions to move the energy system towards net-zero. In January 2023, the associations had issued their vision on a "Market Design that Supports Security of Supply and Adequacy".

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Note for the Editor:

EUGINE is the voice of Europe's engine power plant industry. Our members are the leading European manufacturers of engine power plants and their key components. Engine power plants are a flexible, efficient, reliable and sustainable technology, helping to ensure security of electricity supply and providing (renewable) electricity and heat.

For more information please see www.eugine.eu

EUTurbines represents the leading European gas and steam turbine manufacturers.

EUTurbines advocates an economic and legislative environment for European turbine manufacturers to develop and grow R&I and manufacturing in Europe and promotes the role of turbine-based power generation in a sustainable, decarbonised European and global energy mix.

For more information please see www.euturbines.eu