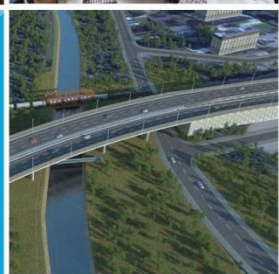
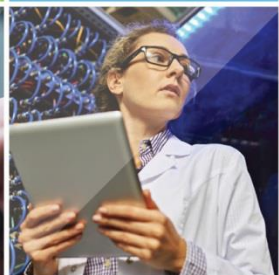
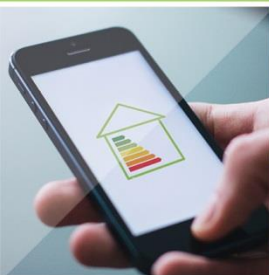




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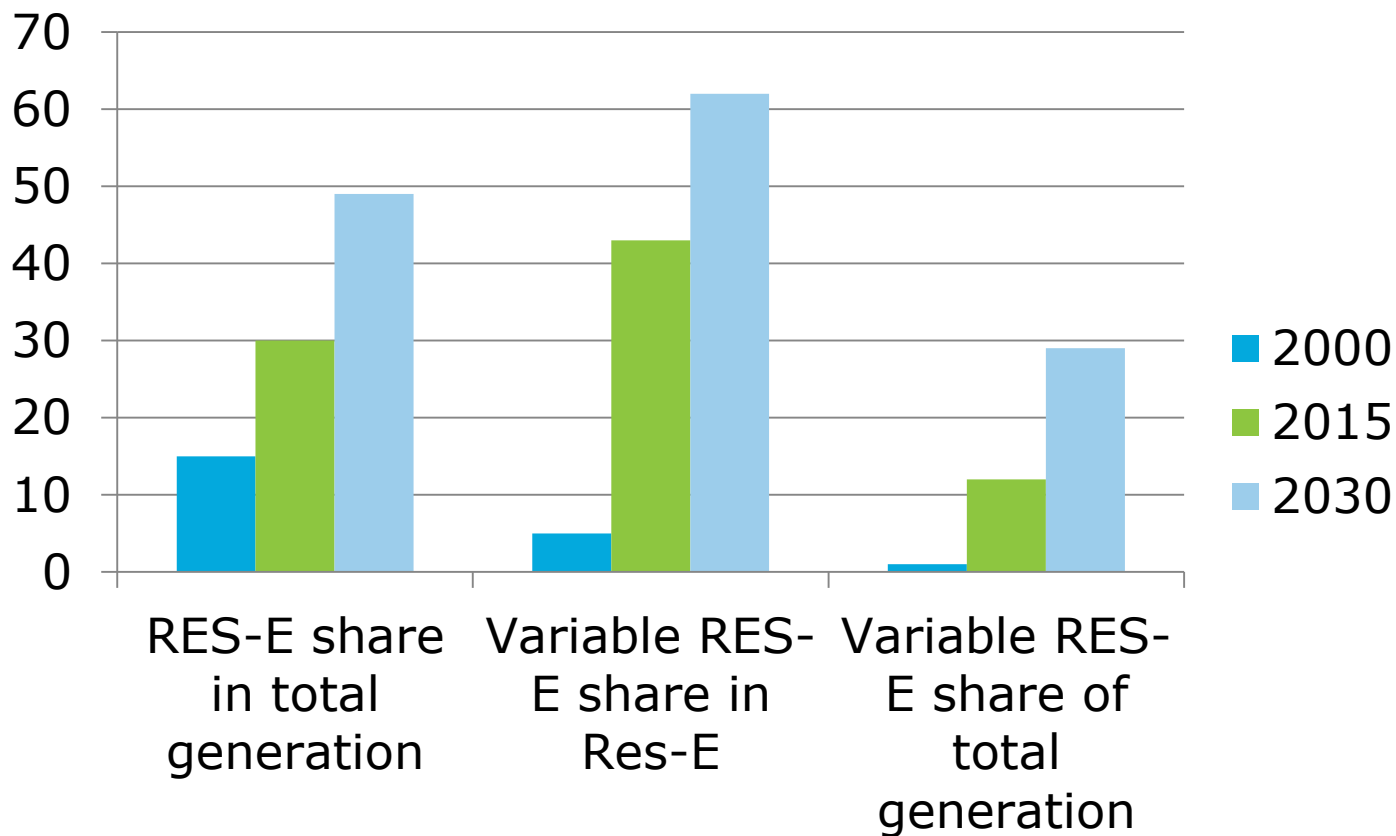


Clean Energy Package: Is balance responsibility “Renewables-proof”?

Nicolas Kuen, Policy Officer
DG ENER.B2, Wholesale markets electricity & gas

"Clean Energy for All Europeans" package

New market design for a cost-efficient operation of variable RES



Source: Primes, EUCO 27 scenario

Recast Electricity Regulation

Ensure a level playing field for intermittent and decentralised actors...

	Article 4 Balancing Responsibility (BR)	Article 11 Priority dispatch	Article 12 Priority access
What is it about?	Who pays if he buys/produces less electricity than he sells/consumes?	Who has to bid in the market to generate electricity?	Who gets curtailed in case of congestion?
Who currently gets priority?	No EU law priority. EEAG requires BR other than for small RES	RES-E, CHP, up to 15 % indigenous resources	RES-E, CHP
Commission Proposals	All market parties responsible for imbalances caused. Exemptions possible for small RES & CHP and grandfathering	Merit order-based dispatch, exemptions for small RES-E, micro-CHP and grandfathering	Voluntary where possible, market-based compensation, otherwise clear priority order

Recast Electricity Regulation

...with some exemptions (currently being discussed with other EU institutions)

Financial support for balancing responsibility of:	Priority dispatch maintained for:	Non-market based redispatch allowed under conditions:
Small RES&CHP: initially 500 kW , as of 2026 250 kW	Small RES&CHP: initially 500 kW , as of 2026 250 kW, half threshold if more than 15 % of capacities	Deviation if disproportionate costs or security issues
Installations with already approved State Aid	RES & CHP commissioned with priority dispatch keep it until they are significantly modified (e.g. repowering)	Compensation at least 90 % of lost net revenues (including subsidies) or additional costs, whatever higher
Demonstration projects	Demonstration projects	Yearly report, obligation to aim for minimum curtailment & redispatch, right to integrate 5 % curtailment in network planning where more efficient

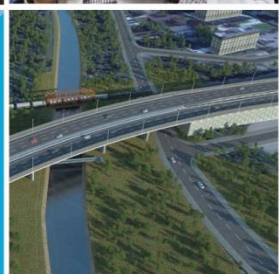
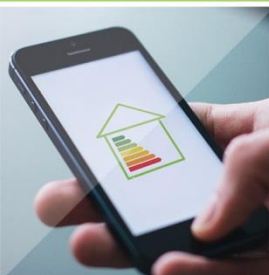
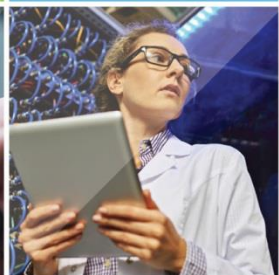
"Clean Energy for All Europeans" package

Impact for intermittent and decentralised actors

- ❑ Full protection of legitimate expectations / grandfathering
- ❑ Priority dispatch has little impact on solar and wind running hours due to their position in the merit order (but can have impact on high marginal cost RES)
- ❑ Curtailment rules provide clarity and legal certainty, strongly protecting RES and CHP
- ❑ Balancing responsibility provides incentives for aggregation and liquid short-term markets
- ❑ Stronger intraday & day-ahead markets help renewables to hedge
- ❑ RES can capture higher prices when the system is tight, can participate in system services and will be curtailed as a last resort
- ❑ Level playing field and strict rules on capacity mechanisms reduce risk for new distortions in favour of conventional generation



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**Thank you
for your attention!**

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