



Forum

# Charging Futures Forum

28 February 2018



# European policy and regulatory update

Andy Burgess, Ofgem



# Does the European framework still matter?

- > Still bound by existing legislation
- > May need – and want – to implement new legislation
- > Uncertainty about future, but still interconnected
- > And UK businesses will trade in Europe and compare market and regulatory rules



# Clean Energy Package I

## Major set of proposals for European energy markets:

- > RES, CO2 & energy efficiency targets, Eco-design; Building efficiency; Bioenergy; Transport strategy; **Electricity market design changes**
- > **11** pieces of legislation, **>70** documents, **>4,300** pages
- > **Application to UK?**
- > At least some elements of Package likely to have been agreed by March 2019



# Clean Energy Package II

## Some Key Market Design Proposals:

- > Detailed billing info & consumer right to smart meter & dynamic pricing contracts;
- > 15 minute settlement for wholesale and smart metering
- > Harmonising electricity transmission and distribution network tariffs
- > New rules & Network Codes for flexibility market & distribution systems



# Clean Energy Package III

## Some Key Market Design Proposals:

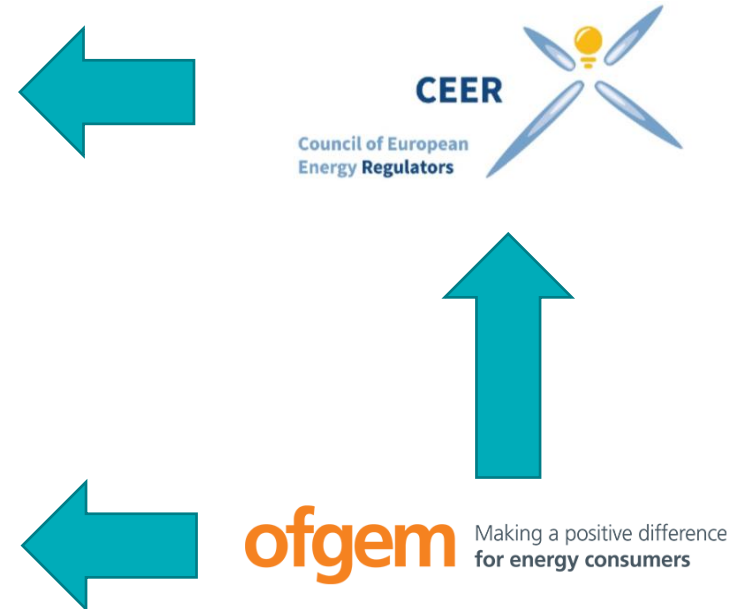
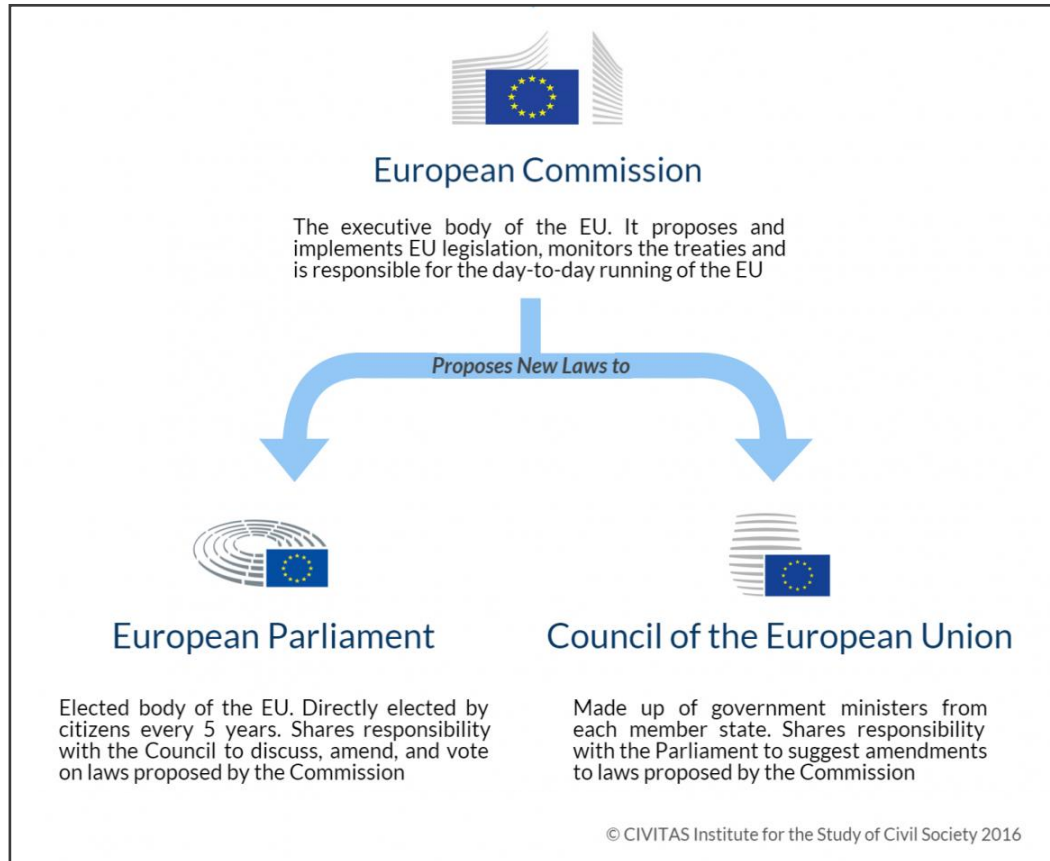
- > Local energy
- > 'Regionalised' Capacity Mechanisms
- > Deeper regional TSO cooperation via 'Regional Operational Centres'
- > Changes to ACER governance & powers



# European Decision Making

## 3 European Institutions find agreement:

- External parties engage with process to effect change





# Some of our priorities

- > Ensure the continued ability to operate the 'cap and floor' interconnector regime
- > Preserve 2/3 majority voting in ACER
- > Push for national regulatory control of network tariffs
- > Oppose new Network Codes on areas such as flexibility
- > Ensure the continued use of 30-minute imbalance settlement periods
- > Oppose the implementation of prescriptive retail market rules





# Relevant CEER work

- > White papers on DSOs, Flexibility, local energy
- > CEER Incentives paper, February 2018
- > Consultation and workshop on Flexibility 2017-18
- > Input to Commission's Smart Grid Task Force
- > Workshops on distribution network tariffs (next in second half of 2018)

Open Q&A

