

EU industrial energy consumers expectations for forward markets

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Expectations market integration

- The creation of an *integrated European electricity market*, creating a level-playing-field throughout Europe
- The creation of a *competitive European electricity market with globally competitive prices*, for all European consumers
- The enhancement of *security of supply* in an electricity system with increasing intermittent capacity
- The reduction of *price volatility* through the growth of *market liquidity*

Capacity calculation and allocation

- Maximum capacity is offered to the market
- Maximum capacity is used by the market
- Need to invest in networks and interconnections

Forward Markets

- Efficiently functioning and liquid day-ahead physical market precondition for well functioning forward market
- Regulatory supervision required to make sure all capacity is going to the market
- Measures necessary to avoid abuse of market power
- Monitoring should be in place at market area level
- Physical and financial markets must be strictly separated

Firmness

- Absence of firmness in the forward market is a large risk for consumers
- Firmness achieved by the right incentives for TSOs
- Confidence in daily price references used for compensation must be improved