



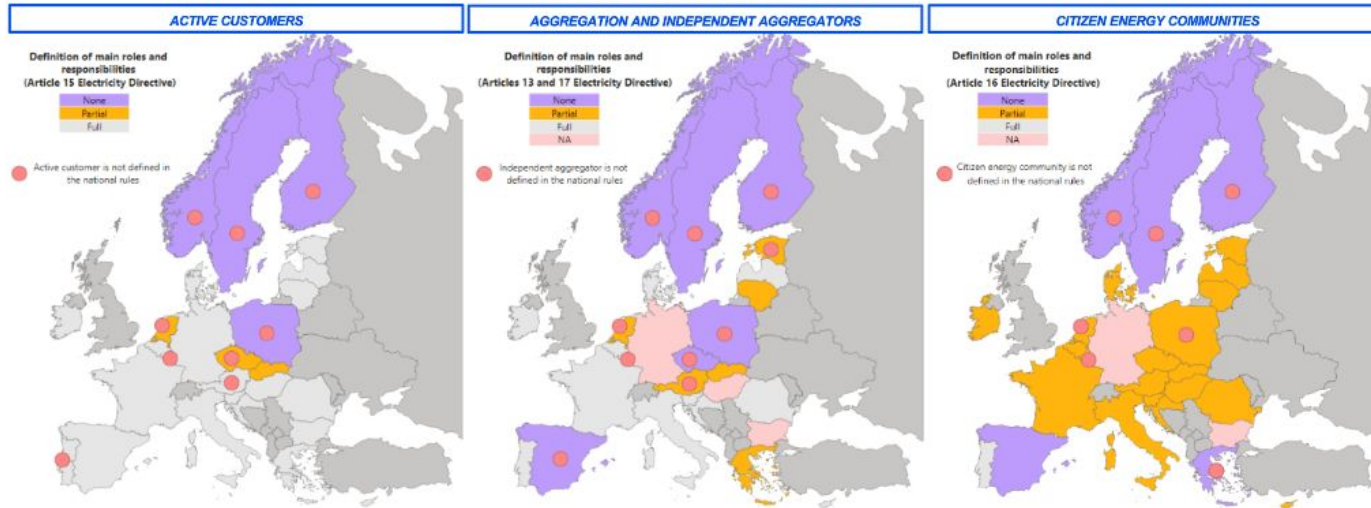
**Overview of new EU regulations regarding energy markets and recommendations for the implementation, with special focus on grids development**

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Budapest 25.06.2024

Existing EU Regulations  
enabling more distributed energy sources

# Clean Energy Package (2019) implementation....

## Legal preconditions... still not implemented

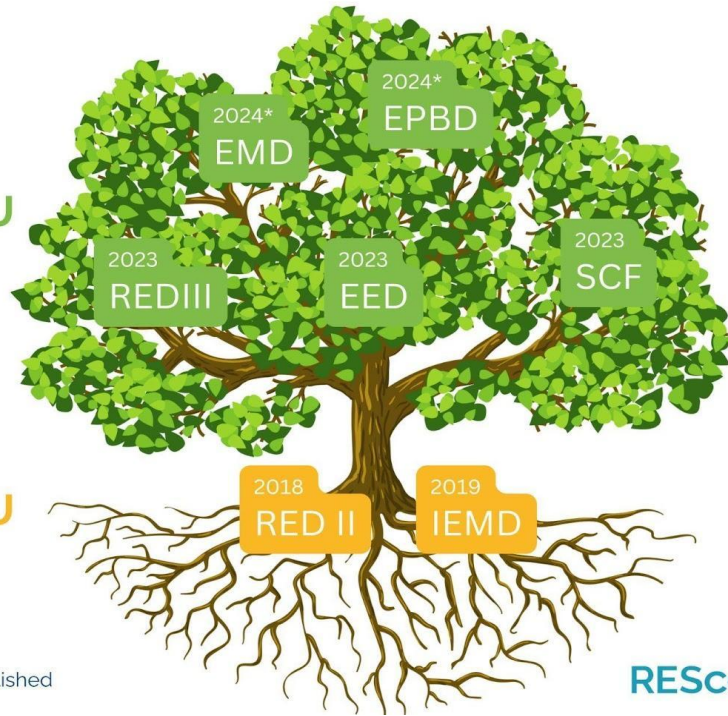


Many Member States have not yet defined the **main roles and responsibilities** of new entrants and small actors in line with the **Clean Energy Package**.

# EU legislation for energy communities

Second generation EU legislation

First generation EU legislation



\*files yet to be officially published

REScoop.EU

# New EU Regulations

## Fit for 55 legislative package

### Fit for 55 - Tracking Commission proposals



EU Emissions Trading System (ETS) reform

Status: Adopted



New EU Emissions Trading System for building and road transport fuels

Status: Adopted



Social Climate Fund

Status: Adopted



Effort Sharing Regulation

Status: Adopted



Regulation on Land Use, Forestry and Agriculture (LULUCF)

Status: Adopted



CO2 emissions standards for cars and vans

Status: Adopted



Carbon Border Adjustment Mechanism (CBAM)

Status: Adopted



Renewable Energy Directive

Status: Adopted



Energy Efficiency Directive

Status: Adopted



Alternative Fuels Infrastructure Regulation (AFIR)

Status: Adopted



ReFuel EU Aviation Regulation

Status: Adopted



FuelEU Maritime Regulation

Status: Adopted



Energy Performance of Buildings Directive

Status: Adopted



Updated EU rules to decarbonise gas markets and promote hydrogen

Status: Adopted



EU Methane Regulation for the energy sector

Status: Adopted

# Selected elements of the Energy Design Market (2023) reform

**Non-fossil flexibility**  
(needs assessment and targets)

**Consumer protection**

**Energy sharing**

**Capacity mechanisms to support flexible resources more**

**More market integrity and transparency**

**Better market monitoring and surveillance**

**Framework for more use of long term contracts (CFDs and PPAs)**

## Energy sharing

The revision introduces a definition of the activity of energy sharing at the EU level, clarifying who has the right to engage in this activity, what are the rights and obligations of the participants, but also the system operators to facilitate such activity

- *energy sharing means the self-consumption by active customers of renewable energy either: generated or stored offsite or on sites between them by a facility they own, lease, rent in whole or in part; or the right to which has been transferred to them by another active customer whether free of charge or for a price.*

### Article 15a - the activity

- Entitles participants to have shared electricity that is injected into the grid deducted from total metered consumption within a time interval no longer than the imbalance settlement period (15 - 60 min)
- Without prejudice to applicable and nondiscriminatory taxes, levies and cost-reflective network charges
- The activity can be organised through private agreements or through a legal entity (e.g. an energy community)

**Geographical scope:** Same bidding zone or a more limited geographical area as determined by the Member State

### Eligibility:

- Households, SMEs, public bodies (Participation in energy sharing can't constitute part of the primary commercial or professional activity of the participant)
- If a Member State allows, larger customers can participate under the following conditions:
  - 1) the size of the production facility associated with the scheme cannot exceed 6 MW
  - 2) The energy sharing takes place within a 'local' or 'limited geographical area', which is defined by the Member State

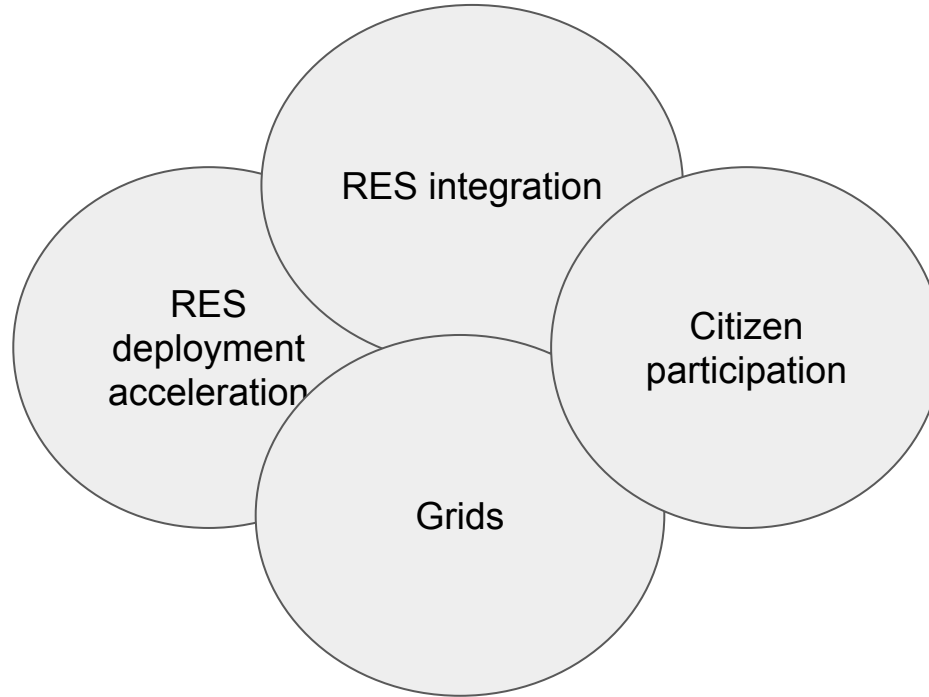
The European Commission is required to provide ***guidance on how to ensure a level playing field for energy communities. This will be of vital importance to make sure that adequate measures are taken at the national level to guarantee that smaller actors have access to energy sharing without discrimination compared to other market actors.***

# Recommendations for implementation



**The expected positive impact on price stabilisation depends on the swift implementation of the reform provisions**

# Building blocks



# Fast and Fair Transition to 100% Renewable Europe: People powered and nature-friendly

- **SPEED:** Acceleration of solar, wind and grid development to achieve and exceed EU 2030 Renewable Energy Target ( 42,5% and aiming for 45%)
- **QUALITY:** Acceleration is only successful if there is quality. Robust implementation while prioritizing engagement of citizens, sharing benefits of RES projects, and supporting local ownership
- **EMPOWER & ACCELERATE:** Energy communities and unlocking **citizens' participation** as **active energy consumers** is instrumental.
- **FAST & FAIR:** Removing regulatory, technical, and economic barriers on the ground for **energy communities** and **energy sharing** while prioritising the full participation of low-income and vulnerable households

# Grid issues are increasing

Grid connection declines in Poland (GW)

Poland: over 50 GW of capacity stuck in connection queue, curtailment of wind

Romania: 50 GW of RES projects waiting for connection

Hungary: no new connections for solar

Bulgaria: 40 GW of RES projects in queue

Czechia: curtailment of solar

51.1

14.5

5.7

6.1

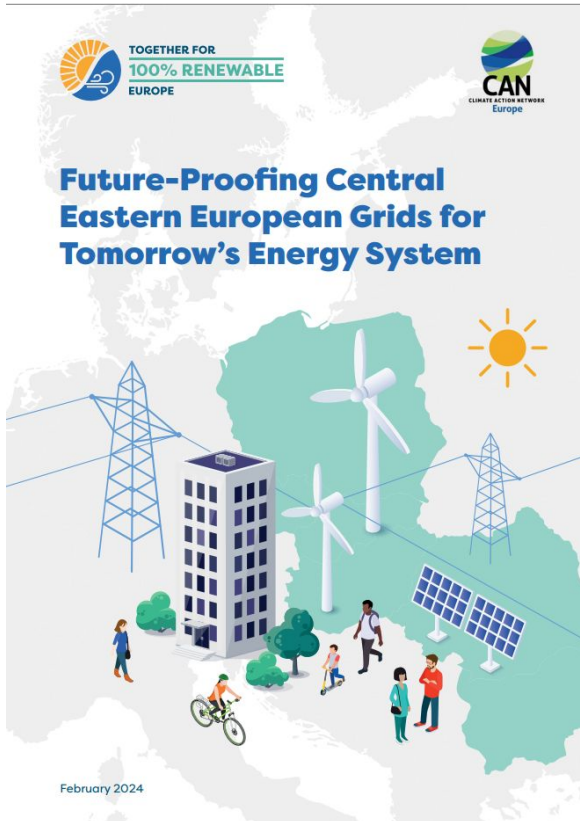
2019

2020

2021

2022

# Specific recommendations for CEE region



1. Foster Political Vision and Strategic Planning
2. Improve the Regulatory and Operational Environment
3. Improve Transparency and Data Accessibility
4. Revise Ownership Structures
5. Leverage EU Funds
6. Engage in cross-sectoral dialogue and enable sector coupling
7. Embrace flexibility as a cost optimisation and system stability measure
8. Build systemic link between energy transition (incl. grids) and addressing energy poverty
9. Make Renewable Heating Solutions Accessible for All
10. **Ensure access to grids for local actors and energy services**

# Appendix

# EU Grid Action Plan



Accelerating the implementation of **Projects of Common Interest** through political steering, reinforced monitoring and more project proposals



Improving the **long-term planning of grids** to accommodate **more renewables** and **electrified demand** in the energy system



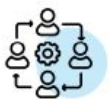
Introducing **regulatory incentives** through anticipatory investments and offshore cross-border cost sharing



Incentivising a **better usage of the grids** with enhanced transparency and improved network tariffs for more smart grids network efficiency and innovative technologies



Improving **access to finance** by increasing visibility on EU funding programmes for smart grids and modernisation of distribution grids



Stimulating **faster permitting** for grids deployment by providing technical support for authorities and guidance on **better engaging stakeholders and communities**



Improving **grid supply chains** by harmonising industry manufacturing requirements



Overall EU investment needs related to grids by 2030: **EUR 584 billion**

**No fresh money offered by the Plan**

# CAN Europe's TOP 5 Recommendations for developing Europe's grid and energy infrastructure

1. **Enable and expedite a 100% renewable energy system**
2. **Plan and anticipate the phase-out(s) of fossil-fuel infrastructure**
3. **Promote the decentralised, flexible and digitalised energy paradigm**
4. **Utilise the full potential of energy savings**
5. **Develop people-centred and nature-inclusive infrastructure**



...each has implications across various parts of electricity grids.

CAN Europe <https://caneurope.org/europes-future-grids-and-infrastructure/>

CAN Europe (2023) Powering Europe's Tomorrow – A blueprint for 100% renewable and resilient infrastructure.

<https://caneurope.org/content/uploads/2023/11/24.11.23-Powering-Europes-Tomorrow-A-blueprint-for-100-renewable-and-resilient-infrastructure.docx.pdf>