



CEDEC answer to the EC Summer Package Consultations on energy market design

"Cross-border approach where necessary, local solutions where possible"

The public consultations that came together with the Communication on delivering new deal for energy consumers, aim to integrate an Energy Union strategy able to match the 2030 energy and climate targets. As the role for customers, citizens and local actors is officially announced to constitute a key dimension of EU's decentralizing and decarbonizing energy future, EU urgently needs to translate this vision into better adapted legislation and regulation.

Gert De Block, CEDEC Secretary General: "Going towards an Energy Union with citizens at its core will only become reality with trust of consumers in the system. Therefore, an essential contribution will come from local energy companies close to the customer, with an active role for the DSO as neutral market facilitator (including metering and data) that contributes to a level playing field in local generation, secure data management, supply and innovative services for consumers.

DSO regulation, currently still focusing one-sidedly on cost reductions, must urgently be re-directed to incentivizing investments in innovative solutions in smart grids that can support markets."

A market design fit for the rising share of renewables, must allow RES generators, prosumers and interested consumers to value the flexibility they can offer to better integrated intraday and balancing markets.

Large scale demand-response is only sustainable with a clear definition of the roles and the technical and financial responsibilities of all actors in the market.

A far-reaching reform of ETS post 2020 allowing the formation of a meaningful carbon price is equally elementary.

Gert De Block, CEDEC Secretary General: "CEDEC believes that national assessments of generation adequacy should definitely look across borders, as far the necessary cross border capacity is available, and should be based on a harmonized methodology that leaves room for taking into account the available local (renewable) energy resources and possible national particularities."

CEDEC position papers can be downloaded <u>here</u>



CEDEC Background information

CEDEC represents the interests of more than 1500 local and regional energy companies, with a total turnover of €120 billion, serving 85 million electricity and gas customers & connections.

These predominantly small and medium-sized local and regional energy companies have developed activities as electricity and heat generators, electricity and natural gas distribution system operators (including metering & data management), and energy (services) suppliers.

The wide range of services provided by local utility companies is reliable, sustainable and close to the customer. Through their investments and the creation of local jobs, they make a significant contribution to local and regional economic development.