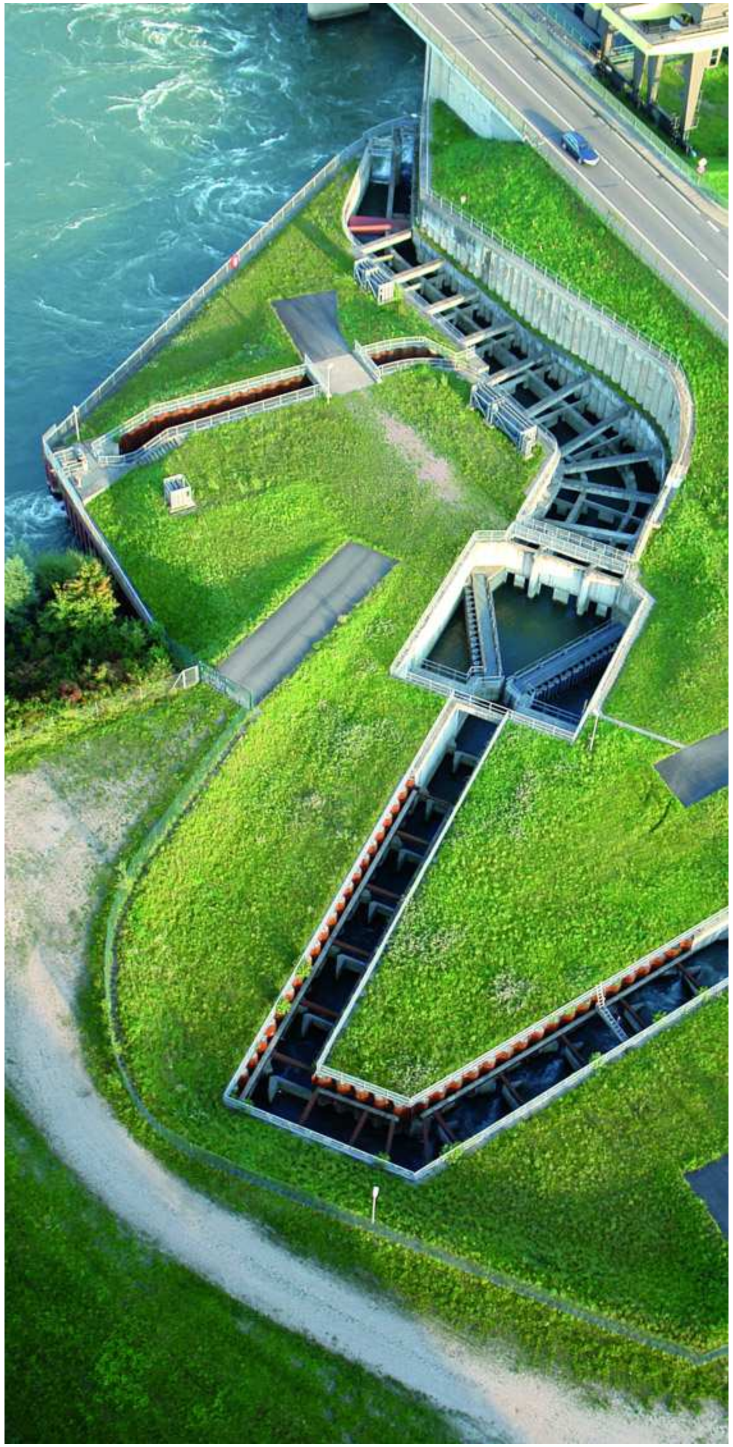
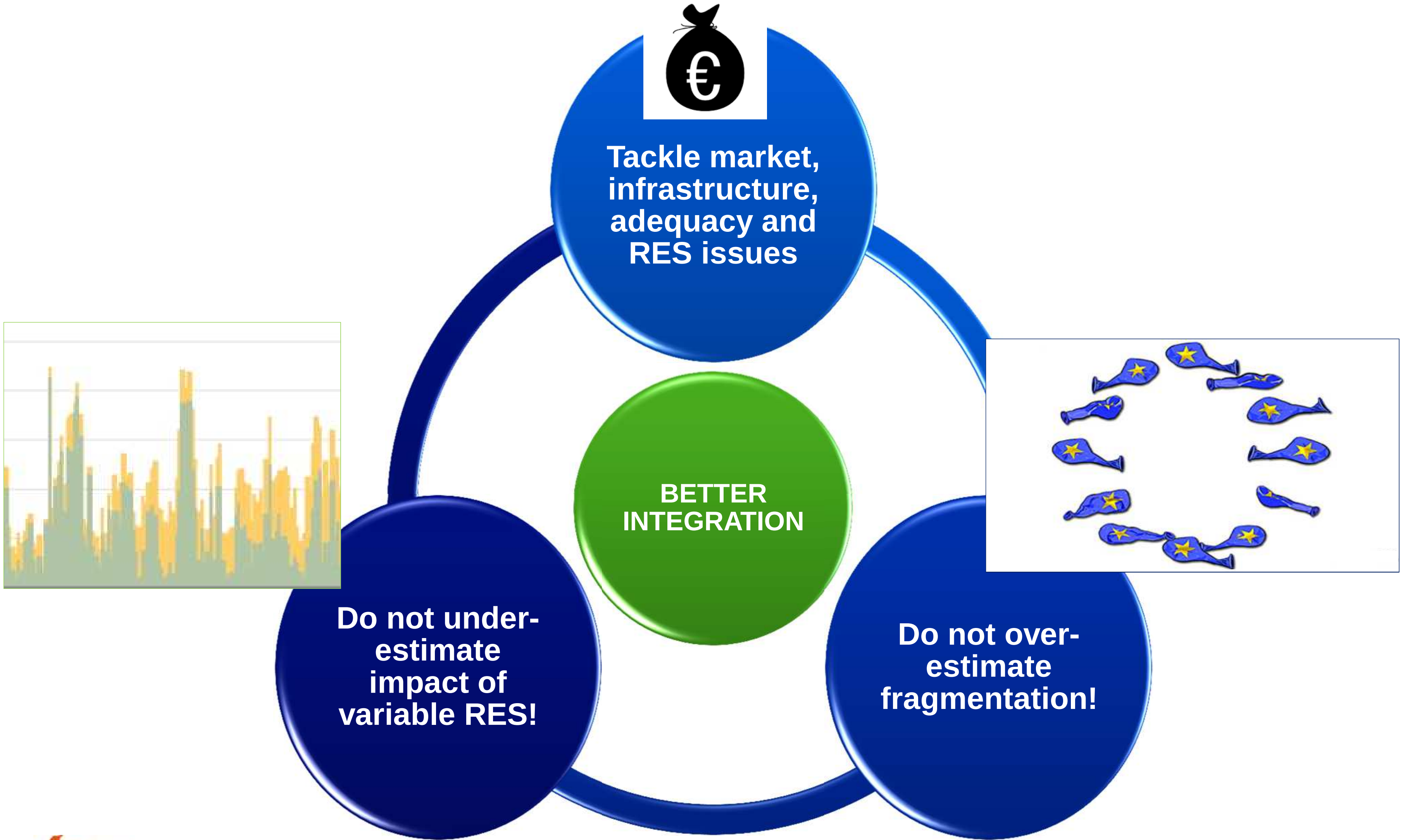
HOW CAN WE ACHIEVE MARKET INTEGRATION?

Egmont – DGroup Symposium
Michel Matheu, Head of EU Strategy, EDF Group

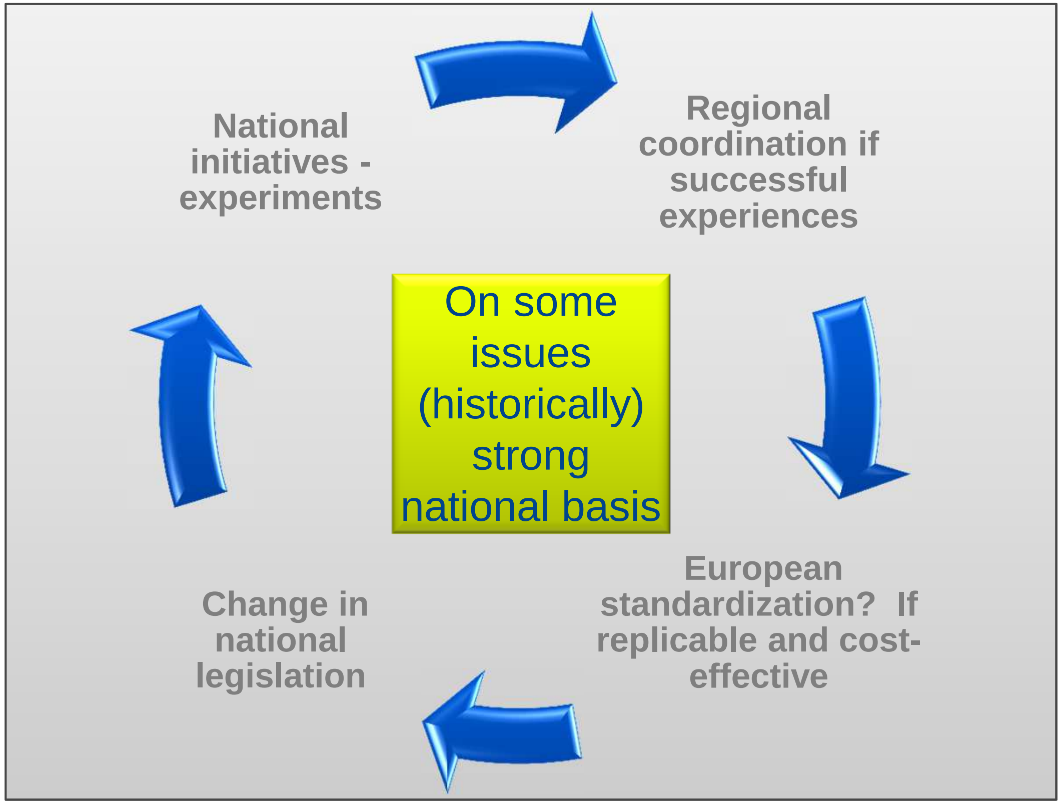
May 5th, 2015



GREAT PROGRESS HAS BEEN MADE, SOME ISSUES STILL NEED TO BE ADDRESSED



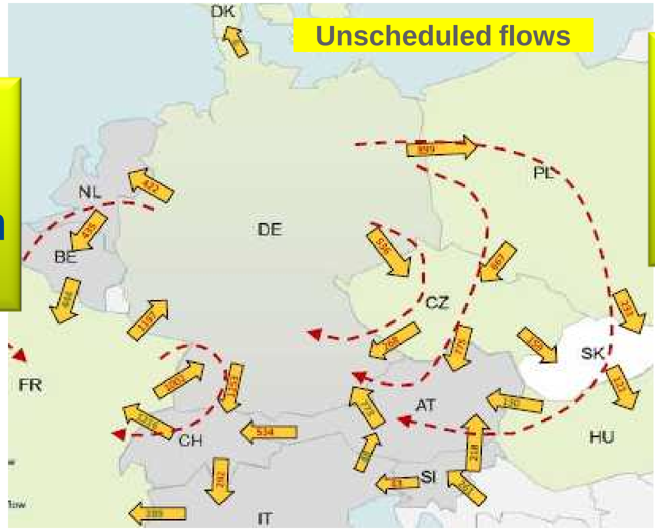
REGIONAL AND EUROPEAN INTEGRATION: LEARNING BY DOING - GRADUALLY



Starting from existing national mechanisms, learn from good practices, try to coordinate – and go further when possible!

RES: NOT ONLY ABOUT INTEGRATING MECHANISMS!

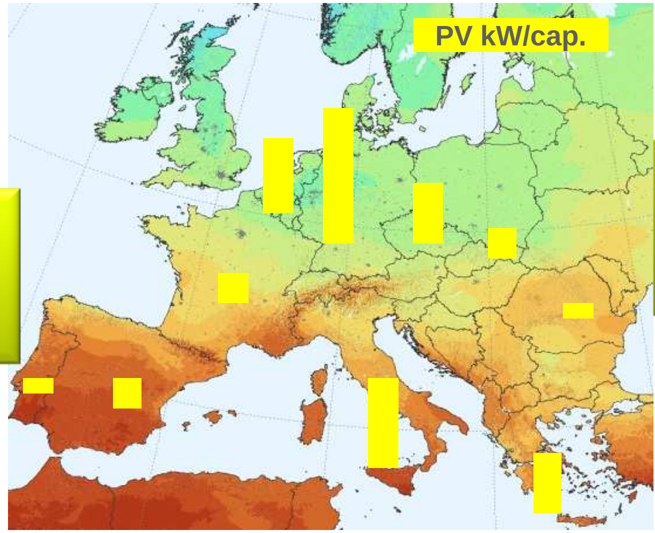
Massive injection of variable generation with priority dispatch is the main barrier



Pre-requisite: Introduce efficient mechanisms, control volumes and subsidies

EEAG
Phase out subsidies to mature RES

Targets can be reached at a more affordable cost

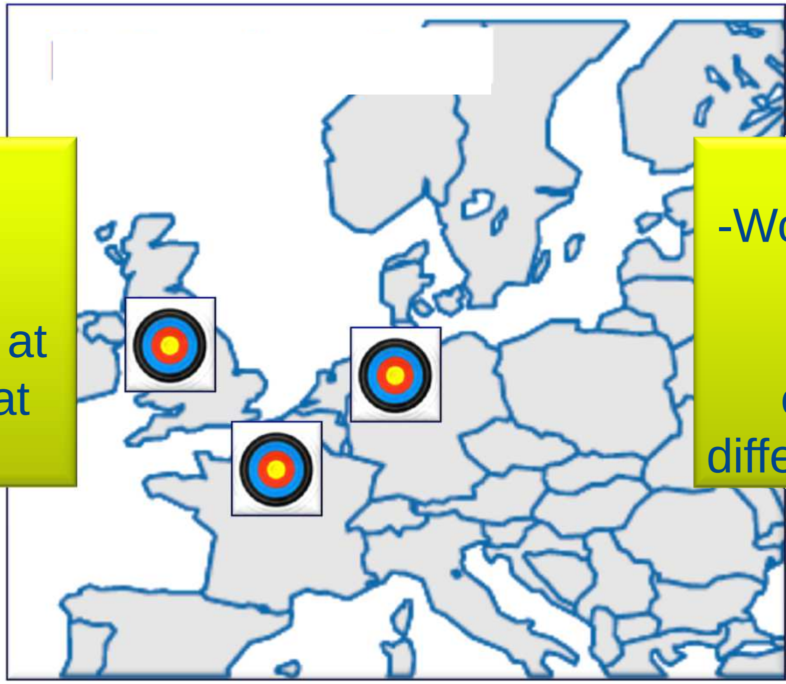


More efficiency in EU/regional framework worth a try

Flexibility, cooperation – but beware of political and network issues!

SECURITY OF SUPPLY:
REGIONAL APPROACHES CAN MAKE SENSE

This is about adequacy!
Get the right capacity amount at the right place, at the right time

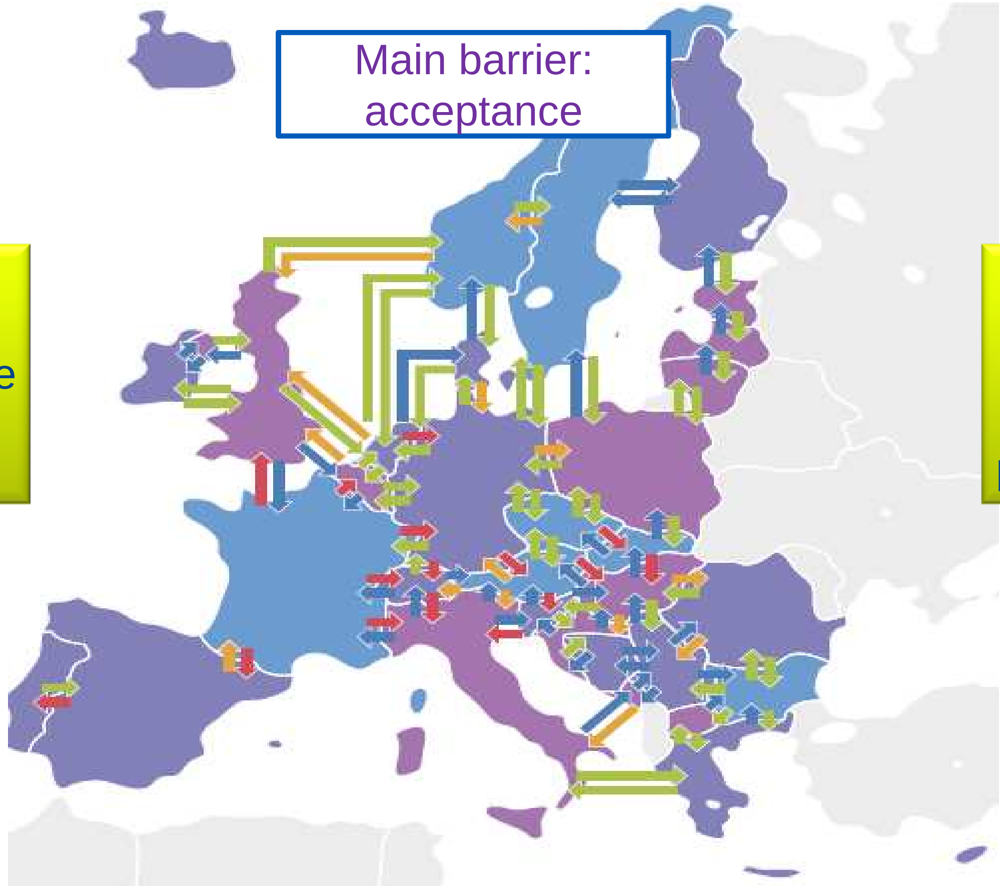


Main barriers:
-Working together on assessment
- Overcoming complexity and differences in markets

National mechanisms are just there. First step is joint assessment at regional level.

INTEGRATING MARKETS: « HARD » IS IMPORTANT

10 and 15% targets: Why shouldn't we be ambitious? But…



…do not forget cost-effectiveness, that is cost benefit analyses!

Construction of efficient new infrastructure is a top priority

INTEGRATION OF SHORT-TERM MARKETS IS TYPICAL OF STEPWISE APPROACH

Day ahead — Intra-day — Close to real time

		
Things are clear Flow-based is complex and solving problems has created a cooperation climate	Still in progress Strong national or regional idiosyncracies Resources from TSOs and political will are needed	Much to be done Strong national or regional idiosyncracies Try pragmatic coordination starting at regional level

THANK YOU