

Demand Flexibility Iceland

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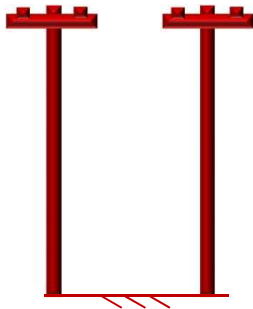
Monopolies in the market

TSO



LANDSNET

DSOs



RAFVEITA REYÐARFJARÐAR



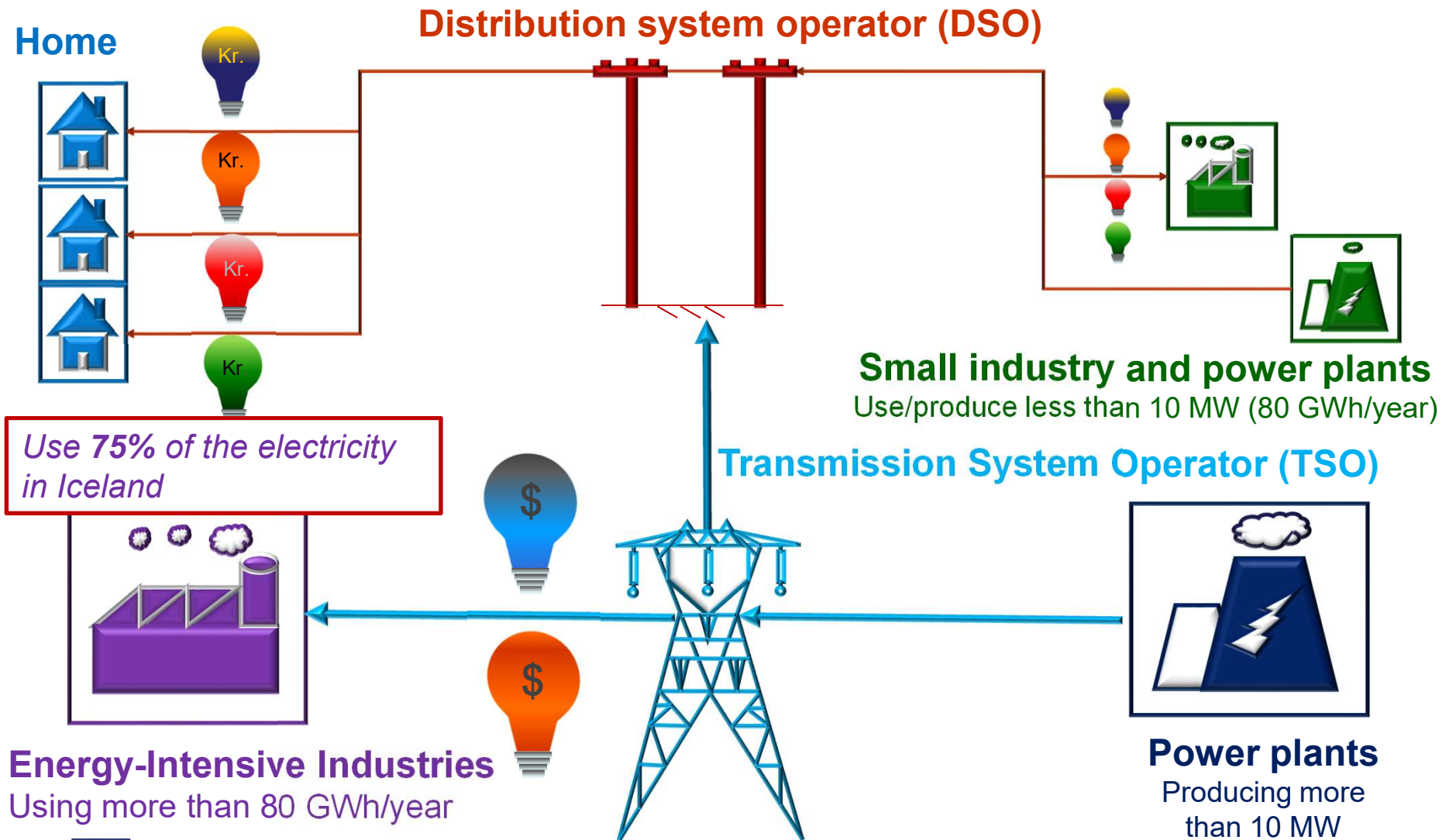
Suppliers in the retail market

- Nine suppliers
- No new suppliers for electricity until 2017
- Six of the suppliers on the market are the companies that were affiliated with the DSOs



The Electricity Market in Iceland

In 2016, 18,6 TWh were transported in the grid



Demand Flexibility in Iceland

- There are no **smart meters** in Iceland yet and the Revenue Cap model has no clear incentive of more efficient utilization of the investments, however:
- Regulation on the implementation of the Electricity Act states that *tariffs should be constructed with the incentive of utilizing the investments in the most efficient way outside peak demand hours. It is allowed to offer cheaper tariffs for less quality of delivery.*

Demand Flexibility in Iceland

- The DSOs offer time dependent tariffs with a cheaper energy component usually from 9 p.m. to 7 p.m., usually with winter and summer prices.
- Less than 1% of the users choose this tariff component which is only suitable for small industries due to high fixed price.
- DSOs also offer curtailable tariff due to congestion in the transmission system
- Curtailable energy (non - guaranteed energy) was around 13% of all distributed energy in 2016

Demand Flexibility in Iceland

- Demand Flexibility has just reached the discussion in Iceland
 - The number of electric cars is growing very rapidly (it is now around 8000, or 2%, was around 0,2% in 2014)
 - More demand for energy
 - More customers are being curtailed
- One of the bigger DSO, the Reykjavik DSO, Veitur ohf, with 30% of the users in Iceland plans to have smart meters everywhere in 2025
- Formal governmental forecast assumes 30.000 electric cars in 2030
- Veitur ohf. Have stated they can now serve 50.000 electric cars giving that people charge them in the night and state that their forecast is 100.000 electric cars in 2030.



Takk fyrir