

NordREG's Presentation on Market Design and the current energy crisis

NordREG W&T Developments Webinar

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At present the market design leads to high electricity prices

- High prices in the wholesale market is a symptom of the market design but not necessarily a sign of the market design's failure.
- The current market design delivers what it is supposed to deliver
- Support to customers should be a temporary measure.
 - Measures deployed to solve problems specifically stemming from the current crisis should be strictly temporary
 - Measures should not jeopardize the function of the market and the long-term goals of the green transition



Do we need to change the current market design?



- Our market design is not complete - the Clean Energy Package and the network codes should still be implemented in Europe.
- We need to allow us time to carefully analyze the pros and cons with our current market design but also the consequences of changes. All market designs that ensure resources adequacy will come at costs for the society. We need to analyze how we minimize these costs. Challenges are many:
 - a generation mix with very high share of renewable sources
 - higher demand due to extensive electrification
 - the massive need for investments in new production and infrastructure in all Europe
 - volatile electricity prices

Important that we all provide input!



- NordREG has and will continue having an active part in the discussions on market design within NordREG and ACER.
- NordREG discusses the future market design with the Nordic TSOs.
- NordREG invites the Nordic stakeholder to give us input on the pros and cons of current market design and how it could be enhanced.
- NordREG urges the Nordic stakeholders to be active in the European debate on the future market design.