





RES market integration

European Commission proposal	
Article 4 All market participants shall be financially responsible for imbalances but there are exemptions	Electricity Regulation 
Article 11 Priority of dispatch for all generation should be market-based and non-discriminatory but there are exemptions	Electricity Regulation 
Article 12 Res-dispatching and curtailment on the basis of market mechanism and financially compensated	Electricity Regulation 

The package improves visibility for RES investors and RES market integration

EURELECTRIC supports the ambition to provide **better visibility to investors in renewable energy sources (RES)** while aiming at their further integration into the electricity market. The Clean Energy Package clearly underpins **market integration and the removal of several regulatory interventions which distort the functioning of the European energy market.**

Balance responsibility for all, market-based dispatch and curtailment

EURELECTRIC shares the overarching principles included in the proposal that all network users should name a balance responsible party and all **market participants shall be responsible for their imbalances.**

We support market-based and non-discriminatory dispatching and re-dispatching of all generation facilities and demand response.

EURELECTRIC also believes that there is **no need to incentivise the development of new exemptions from balancing responsibility or new priority of dispatch provisions** based on the size of the projects or the type of technologies.

New rules for RES should not apply to existing assets

In order not to damage the investment environment in the sector, **the existing exemptions should be kept. In addition, the existing market rules for dispatching and balancing should prevail until the implementation of the new market design.** We support that **generation facilities currently exempted from balancing responsibilities or that were granted priority of dispatch/access may require compensation to accept new roles in the electricity market.** EURELECTRIC encourages the development of these incentive schemes, where market participants may voluntarily accept new responsibilities.

Proposed amendments

Article 4. "Balancing Responsibility"

2. Member States ~~may~~ shall provide for derogation from balance responsibility ~~to in respect of:~~

~~(a) demonstration projects;~~

~~(b) generating installations using renewable energy sources or high efficiency cogeneration with an installed electricity capacity of less than 500 kW;~~

~~(c)~~ installations benefitting from support approved by the Commission under Union State aid rules pursuant to Articles 107 to 109 TFEU, and commissioned prior to [OP: entry into force]. Member States may, subject to Union state aid rules, incentivize market participants which are fully or partly exempted from balancing responsibility to accept full balancing responsibility against appropriate compensation.

~~3. From 1 January 2026, point (b) of paragraph 2 shall apply only to generating installations using renewable energy sources or high efficiency cogeneration with an installed electricity capacity of less than 250 kW.~~

Electricity
Regulation

Justification

While keeping existing exemptions, there should be no new or additional exemption from balancing responsibility.

Article 11 "Priority of dispatch"

~~2. When dispatching electricity generating installations, transmission system operators shall give priority to generating installations using renewable energy sources or high efficiency cogeneration from small generating installations or generating installations using emerging technologies to the following extent:~~

~~(a) generating installations using renewable energy sources or high efficiency cogeneration with an installed electricity capacity of less than 500 kW; or~~

~~(b) demonstration projects for innovative technologies.~~

Electricity
Regulation

Justification

Market-based dispatching of all generation and demand response shall be the rule. However, in order not to damage the investment environment in the sector, EURELECTRIC welcomes Article 11.4 where existing exemptions (including those granted by contractual terms) are kept, and should include cases where generation installations are subject to significant modifications although without extending the time horizon of the existing exemptions. Nevertheless, a mechanisms may be developed where market participants accept opt out of priority dispatch against appropriate compensation.

Article 12 "Re-dispatching and curtailment"

6. Where non-market based curtailment or redispatching is (...) Financial compensation shall at least be equal to (...)

(a) additional operating costs (...)

(b): ~~90% of~~ the net revenues (...) the generating or demand facility would have generated without the curtailment

Electricity
Regulation

Justification

Redispatch and curtailment management shall only be based on market mechanisms Non-market curtailment should be an exception. In non-market decision making processes, generation or demand shall be fully financial compensated for the lost revenues opportunity (incl. energy component and incentives) and for any additional costs. Such compensation mechanism should however avoid the risk of manipulation or counter-productive incentives.

