

GME NEWSLETTER – New issue now online

Rome, 15 February 2017 – The new issue of the newsletter of Gestore dei Mercati Energetici (Gme) is online and can be downloaded from the website www.mercatoelettrico.org.

The newsletter starts with a speech by Virginia Canazza and Claudia Checchi of REF-E about the maxi-initiative for the relaunch of the European energy policies called Winter Package. The experts explains that *“The goal is not only to encourage the energy transition towards complete decarbonisation, but also to set the conditions that will allow Europe to benefit from the opportunities given by the transition to the new energy sector management paradigm, such as greater efficiency, reduced costs, investment and new jobs”*.

Canazza and Checchi add that the new concept is in line with the past and "is based on the idea that the market, free from constraints and inefficiencies, is the best tool to achieve the stated goals,". As for electricity, the idea is an organization of the markets able to *"resolve the issue of the balance management thanks to problems solved long before the present, largely decentralized and left to the responsibility of individual Market Participants"* . In this context, as explained by the analysts of the REF-E, the Intra-Day markets play an important innovative role as they will be based on *"harmonized rules and effective coordination, at least at the regional level"*. Although in the context of energy efficiency the main measure is the common objective of raising energy savings from 27% to 30% by 2030 and the extension of the annual reduction in final energy consumption by 1.5%, the plan on renewable energy is not very ambitious, confirming the overall target of 27% by 2030.

However, important news are recorded in the field of governance. The topic is dealt with in two proposals: on the one hand, as stated by Canazza and Checchi, there is the coordination of energy policies with the proposed Directive that provides for *"the realization, by 2019, of the complex and detailed national integrated plans for energy and climate, which will replace a long series of current communications and plans"*.



On the other hand, there is the strengthening of the role of ACER with a wider participation in the definition of the Network Codes for electricity and the supervision of the Regional Operational Centres, established in order to facilitate the coordination of the TSO in the field of cross-border capacity management . The two analysts points out that the TSO show the "*need for harmonization*" that, however, "*should be based on a careful evaluation of the benefits derived from it, without the risk of pursuing a unification at all costs*".

Canazza and Checchi conclude by stating that "*perhaps the will to overcome this last frontier of the national management systems will lead in a few years to a new initiative in which a European TSO is proposed. A symptom of this evolution can be found in a proposal for a regulation for the coordinated management of the TSO at regional level defining a detailed procedure that should be followed by TSO in case of extreme events (cyber-attacks, extreme weather conditions, fuel-shortage, etc.)*".

The new issue also includes the usual technical commentaries on the markets and the national and European electricity and environment exchanges, the section devoted to the analysis of the trends of the Italian gas market and the section with an analysis on European trends, which delves into trends in key European commodities markets.

The GME's new publication also reports, as customary, the summary data of the electricity market for January 2017.

Gestore dei Mercati Energetici S.p.A.

Relazioni Istituzionali e Comunicazione

Tel. +39 06 8012 4549

Fax. +39 06 8012 4519

relazioni.istituzionali@mercatoelettrico.org

www.mercatoelettrico.org