KEY ELEMENTS OF THE PACKAGE

THE RIGHT REGULATORY FRAMEWORK FOR POST – 2020

"In essence the new package is about tapping our green growth potential across the board"

Commissioner Miguel Arias Cañete (2016)
### Legislative Proposals / Co-Decision Procedure

#### Overview I

| 2. Renewable Energy Directive | Political Agreement on 13/06 |
| 3. Energy Efficiency Directive | Political Agreement on 19/06 |
| 4. Governance Regulation (New) | Political Agreement on 20/06 |
Legislative Proposals / Co-Decision Procedure

Overview II

5. Electricity Regulation  
   ongoing

6. Electricity Directive  
   ongoing

7. Risk Preparedness Regulation (New)  
   ongoing

8. ACER Regulation  
   ongoing

[Amendment of the Gas Directive  
   ongoing]
Stronger **long term renovation strategies** for Member States, aiming at decarbonisation by 2050 and with a solid financial component.

A **Smart Readiness Indicator** for buildings.

Targeted support to **e-mobility** infrastructure deployment in buildings' car parks.

Enhanced **transparency** of national building energy performance calculation methodologies.

Reinforcement of building **automation**: additional requirements on room temperature level controls, building automation and controls and enhanced consideration of typical operating conditions.
Contributing to the EU political priority of world leadership in renewables

&

Achieving the at least 32 % EU-level binding renewables target cost-effectively by 2030
A new non-binding energy efficiency target for the EU for 2030 of 32.5%, with an upwards revision clause by 2023

Extended energy savings obligation to achieve new annual energy savings of at least 0.8% (of final energy consumption) for the next period 2021-2030 and beyond

Strengthened rules on individual metering and billing of thermal energy (better information for consumers)

Tackling existing market, behavioural and regulatory barriers in order to increase security of supply, competitiveness of EU industries, reduce energy bills of consumers and health costs for society
Governance process – How does it work?

MAIN ELEMENTS OF THE ENERGY UNION GOVERNANCE

- **National Integrated Energy and Climate Plans (2021 to 2030)**
  (preparation well before 2020)

- **Integrated national progress reports**
  (from 2023, every two years)

- **European Commission monitoring**
  (State of the Energy Union)

Streamlining:

1 Plan
1 Report
1 Monitoring
Electricity market design – legal measures

- **Electricity Regulation (RECAST)**
  - Contains majority of new wholesale rules

- **Electricity Directive (RECAST)**
  - Contains majority of new retail provisions

- **ACER Regulation (RECAST)**
  - ACER tasks and procedure

- **Regulation on Risk preparedness (NEW)**
  - Member States put in place appropriate tools to prevent, prepare for and manage electricity crisis situations
## NEW MARKET DESIGN

### A FAIR DEAL FOR CONSUMERS

<table>
<thead>
<tr>
<th>BETTER INFORMED</th>
<th>EMPOWERED</th>
<th>PROTECTED</th>
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<tbody>
<tr>
<td>- Access to fit-for-purpose smart meters</td>
<td>- Entitle individuals and communities to generate electricity and to consume, store or sell it back to the market</td>
<td>- Monitoring of energy poverty (governance)</td>
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<td>- Certified price comparison tool</td>
<td>- Easier switching conditions</td>
<td>- Information on alternatives to disconnection</td>
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<td>- Clearer energy bills</td>
<td>- Reward demand-response</td>
<td>- Secured electricity supplies</td>
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<td>- Sound data management</td>
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CLEAN ENERGY FOR ALL EUROPEANS

MARKETS FIT FOR PURPOSE

Competitive energy markets are at the heart of a competitive economy

**Strengthened short-term markets**

- Increase cross-border trading opportunities over shorter timeframes (intraday and balancing markets)
- Reward flexibility for generation, demand-response and storage
- Allow prices to show real value of electricity in terms of time and location (scarcity pricing)

**Level-playing field among sources**

- Rules on priority access and dispatch
- Curtailment rules
- Remuneration on equal terms on market principles
- Extended balancing responsibilities

**Competitive retail markets**

- Flexible network management
- Regulated prices phased out
- Fair market access for new market players such as new service providers
- Distribution operators as neutral but active market facilitators

**Regional cooperation**

- Regional Operation Centres (TSOs)
- Common rules on crisis prevention
- European framework for CRMs
- New tasks for ACER
### Strengthening Risk Preparedness: Safer Together

#### Common Rules for Enhanced Cooperation

| Common Risk Identification and Assessment | - **Common methodology** for:  
|  |  
|  |  
|  |  
|  |  
|  |  
|  | - Identifying electricity crisis  
|  | - Assessing short-term adequacy  
|  | - **Identification of crisis scenario**  
| Risk Preparedness Plans | - Mandatory plans and coordinated measures  
|  | - **Consultation** with other Member States and Electricity Coordination Group (ECG)  
| Common Principles on Handling Crisis | - **Solidarity principle** and assistance  
|  | - Ensure market functions as long as possible  
|  | - Non-market measures only as last resort  
| Information Sharing and Transparency | **Obligation to inform** EC and Member States:  
|  | - In case of electricity crisis (measures and need for assistance)  
|  | - "Early-warning"  
| EU Level Monitoring | - **Systematic monitoring** via Electricity Coordination Group  
|  | - **Harmonised indicator** to monitor  
|  | - Reporting on electricity crisis events  

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*European Commission*
Thank you for your attention!