

PRESS RELEASE

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Flexible Gas-to-Power is important for the Energy Union and needs a suitable framework

Gas-to-Power has a strong, complementing role to play with an increasing share of variable renewables in the European energy mix. This was one of the key statements conveyed at an event organised jointly by EUGINE, EUTurbines and GasNaturally representing the European gas power plants and gas industry on 18 November 2015.

The panellists agreed that today's policy framework is not designed for the new energy mix, challenging the safeguarding of the necessary investments. Thus, the initiative from the Commission to work and propose a new power market design has been welcomed by the participants, as it should reward flexibility solutions. This would complement the ETS as the main tool to encourage investments in low-carbon power generation technologies and allow them to play their full role, effectively balancing the fluctuating power from wind and sun.

Joachim Balke, Cabinet Member of Commissioner for Climate Action and Energy Arias Cañete, said the consultation on Energy Market Design showed a wide consensus on the need for wholesale electricity prices to better reflect supply scarcity. Marie Donnelly, Director at European Commission's DG Energy, emphasised that flexibility must be defined and monetised, allowing technology neutral incentives to provide flexibility services and capital to be properly remunerated. The panellists concurred that the existing energy-only market should not be replaced, but some modifications, for example balancing responsibilities and new short-term market products, would ensure a better fit-for-purpose compared to other approaches, such as capacity markets.

Note to the editor:

EUGINE is the voice of the European engine power plant industry. Its members are the leading European manufacturers of engine power plants and their key components. They provide forward-looking solutions for flexible electricity generation.

EUTurbines is the European association representing gas- and steam turbine industry. The companies behind EUTurbines employ 70.000 people across Europe and are the global technology leaders in turbine technology used as core components in the majority of thermal power generation applications from gas to renewables.

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