## Achieve climate targets in Europe Ensure security of supply

Joint appeal from energy industry and industry associations to secure the electricity supply in Europe















Organisation des Entreprises d'Electricité du Luxembourg





The Member States of the European Union have jointly decided to reshape their economies within the coming decades towards an improved sustainability and a continued strong focus on environmental and climate protection. In this context, the development of our energy supply systems is key.

The signatory associations from the European energy industry commit themselves to the following central premises which are intended to form the core of responsible action on the part of the energy industry to ensure a secure, sustainable and affordable energy supply in Europe:

• The European energy industry associations support the objectives of the European climate protection targets.

The European energy industry associations appreciate the value of a functioning European integrated market and support the further development of a European integrated electricity market fit for the energy transition and cooperating with third countries which are part of the synchronous grid of Continental Europe or of grid areas connected with Continental Europe and contribute significantly to electricity transits, security of supply and grid stability in Europe. The Member States are taking different steps to transform their electricity supply systems. While aiming at a well-functioning internal electricity market different resource adequacy problems and structural issues are best resolved using different, appropriate solutions. However, it is already clear that in the course of the change taking place, special attention must be paid to the development of so-called "firm capacity".

Our common objective is to maintain the security of supply and system security in the European internal electricity market.

In addition to existing flexibilities on the generation, storage and demand side, the capacities and availability of interconnectors all over Europe play a significant role to achieve this objective. The increasing share of generation contributed by wind and solar energy to achieve this objective means that volatility is having an ever-increasing influence on the available generation capacity and on the load, which must be met.

The past was largely characterised by a large supply of firm capacity, maybe even an oversupply. In some European countries this picture has shifted or is beginning to shift. There are also other countries where sufficient generation capacity will not be a given in the future.

This trend will intensify because the energy market conditions do not provide energy suppliers the economic ability to ensure the construction of new power plants or storage facilities or to develop DSR on the required scale and to provide sufficient firm capacity.

If this trend is not counteracted, in just a few years the solidarity between countries which has been practised up to now in overcoming critical network shortage or supply

situations together will be jeopardised due to a lack of DSR, suitable power station or storage capacities.

The European energy industry associations

- are jointly of the opinion that the security of supply in Europe can only be efficiently ensured in the course of the further development of a European integrated market that is fit for the energy transition and through the close cooperation of all Member States and third countries that are part of the synchronous grid of Continental Europe or of grid areas connected with Continental Europe.
- therefore believe that it is essential that this topic has to be given greater focus at European level in the context of a broad reflection on the European electricity market design,
- recommend that the European Commission, the Member States and third countries that are part of the synchronous grid of Continental Europe or of grid areas connected with Continental Europe pay close attention to the results of the monitoring to be conducted in future by ENTSO-E,
- are very willing to have a constructive dialogue with the governments and regulatory authorities of their States,
- agree to exchange ideas and experiences on this topic at regular intervals.

## Signed

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