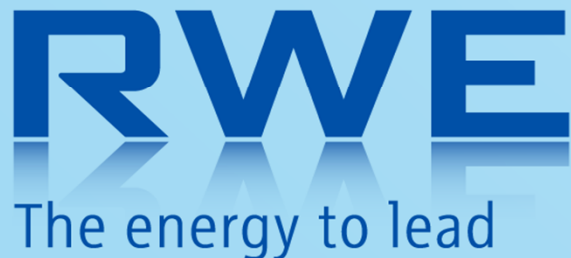


Session 1: What are the achievements and the remaining obstacles to the completion of the EU internal energy market?

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An European internal market is a **necessary condition** for the EU target achievements



- › The liberalisation of the gas- and electricity markets is not fully completed yet
- › No European market for electricity from renewables exist that is at least comparable to the internal market for conventional electricity, not to mention compatible
- › Member States start to develop new single market designs somehow as an effect from the deployment of renewables

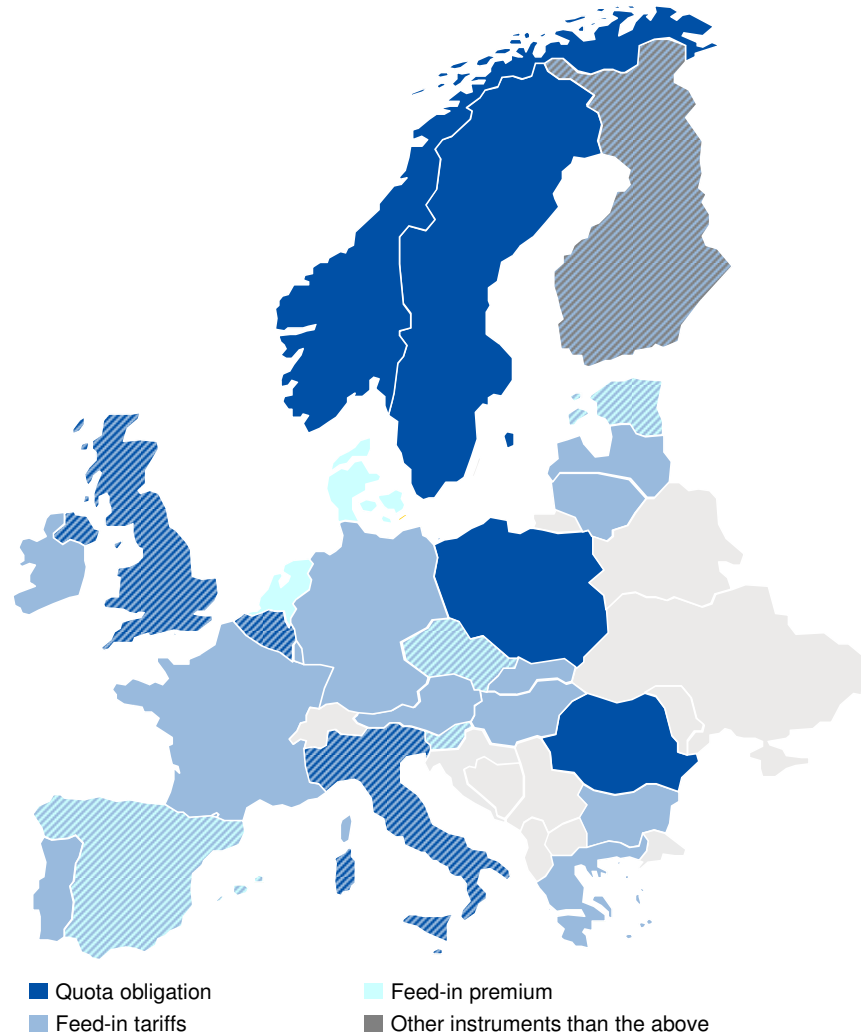


› The achievement of a single market is necessary to minimize these inefficiencies and to allow an efficient integration of renewable energy

Why is a fully integrated internal market necessary for the expansion of renewables?

1. The internal market can facilitate the deployment of **infrastructures** that is necessary for RES deployment
2. Larger markets reduce **storage** requirements and **backup capacity** needs
3. The **costs of Renewable** integration can be reduced by an European grid infrastructure approach (e.g. offshore)
4. The characteristics of variable renewables illustrate the benefits of coordination: wind, solar or other variable renewable power plants are **more efficient** in some locations than others

In the short run, convergency of national support schemes for renewables is necessary

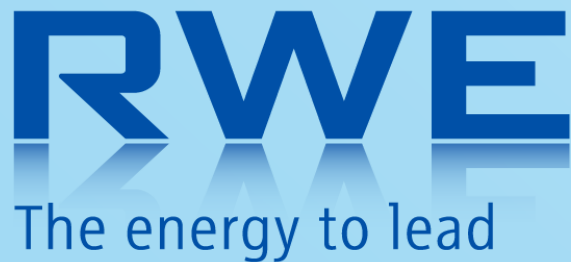


- Independent national initiatives regarding energy policy do not contribute to the stabilisation of the European energy system
- Good and efficient results can be achieved by properly designed mechanisms – that is, if they are compatible with the European energy market
- One way forward: Revitalise the Pentilateral Forum

EU ETS can comply with the 20% climate target, while at the same time promoting renewable energy investments

- > ETS is the central element of the European climate policy. No sensible alternative to this market based instrument exist.
- > The ETS functions quite well. The reductions of greenhouse gas emissions of 20% will very likely be achieved.
- > The current prices reflect influences like the economic recession and the increasing feed-in of renewables and for this reason meet the market situation.
- > A stronger coordination between the ETS and energy policy instruments like support schemes for renewables and also for energy efficiency is urgently required to increase efficiency and reduce costs.
- > The internal market must also reflect the integration of the renewables in terms of support, production, consumption and grid integration side.

THANK YOU VERY MUCH FOR YOUR ATTENTION
AND LET'S COLLECTIVELY BE:



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