

HOW TO BREAK THE SILOS BETWEEN GAS AND ELECTRICITY MARKETS?



PUBLIC
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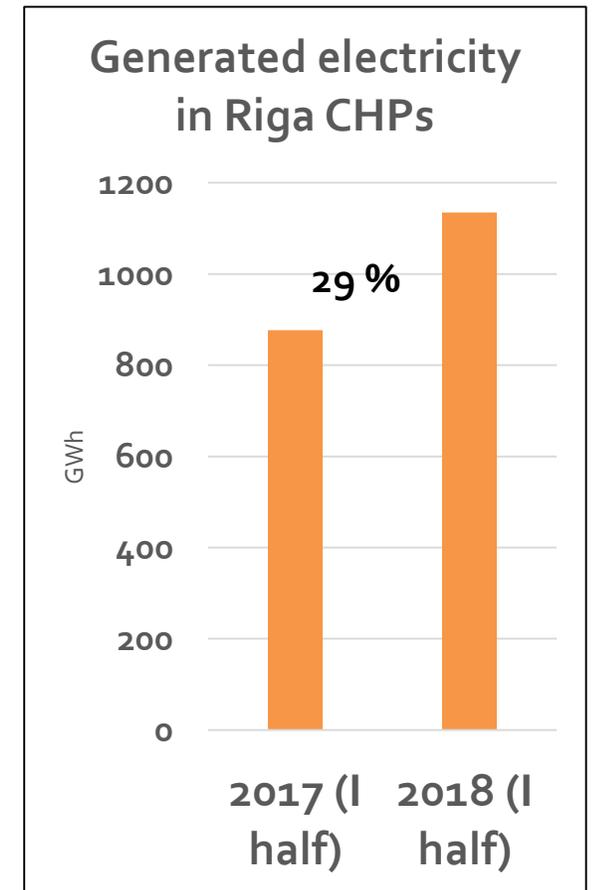
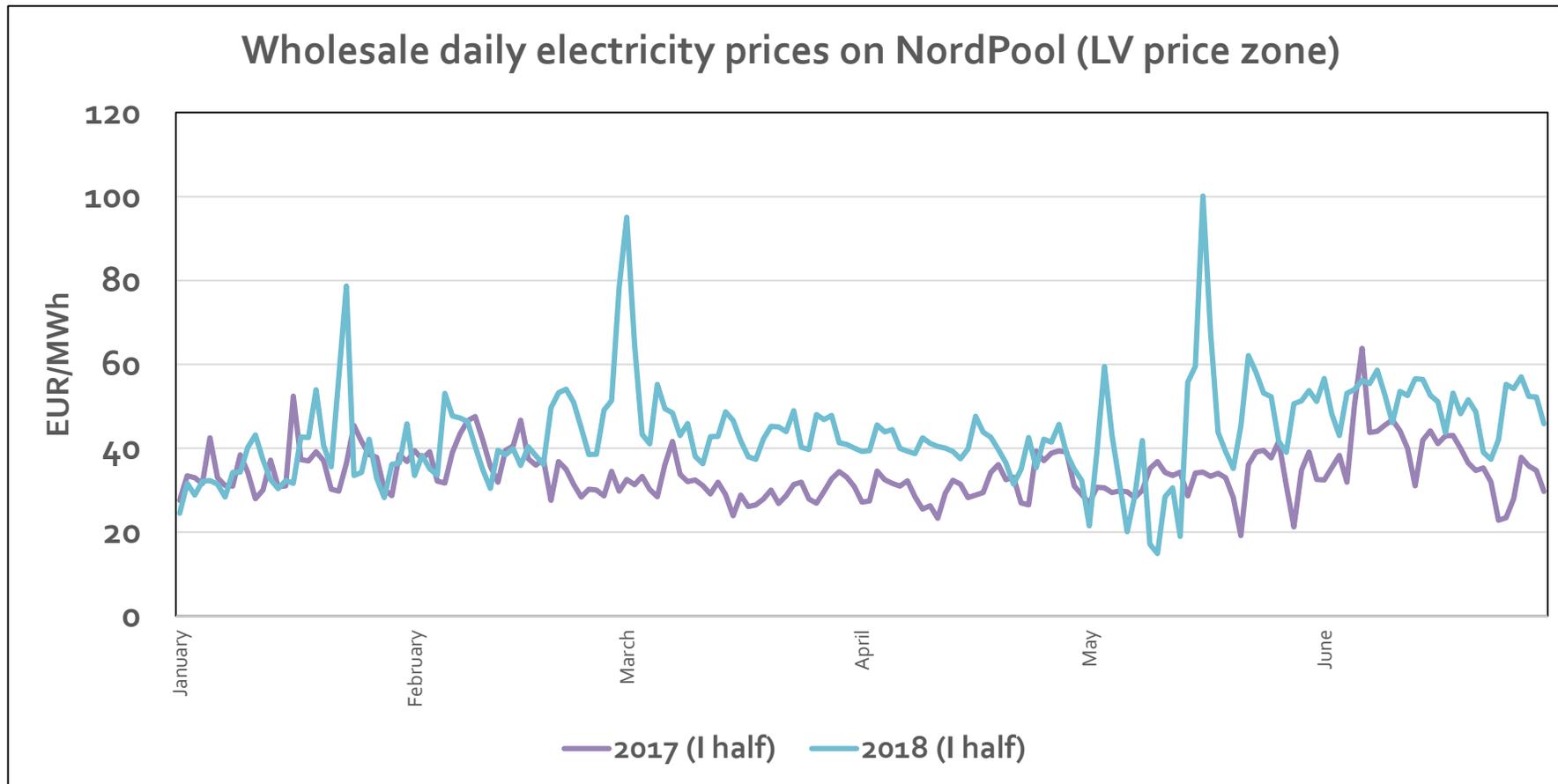
ENERGY CONSUMERS IS A KEY TO BREAK THE SILOS

- between different energy networks (electricity, gas, heat)
- between energy generation, transmission, distribution and consumption



1. Connecting Gas and Electricity
2. Changing Energy Environment
3. New Strategy

CONNECTING GAS AND ELECTRICITY MARKETS



CONNECTING GAS AND ELECTRICITY MARKETS

ELECTRICITY

14 SUPPLIERS

SWITCHING RATE

RESIDENTIAL: 6%

COMMERCIAL: 18%

DYNAMIC PRICE

RESIDENTIAL - 10.3%

COMMERCIAL - 38.3%

MARKET PRODUCTS

+ TELECOMMUNICATIONS

+ GAS

+ SOLAR PANEL INSTALLATIONS

+ «SMART HOME» SOLUTIONS

CHANGING ENERGY LANDSCAPE

DECARBONIZATION

Electricity –
synchronization

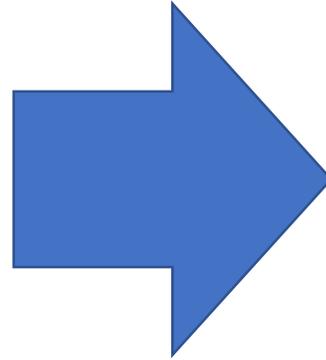
Natural Gas –
Regional
Market

Heating
Sector –
Market
development

GRID DEVELOPMENT

CHANGING ENERGY LANDSCAPE

- RES penetration (electricity/gas)
- Distributed generation/prosumers
- Energy efficiency/
Energy performance of buildings
- Aggregators
- «Smart homes»
- Storage/batteries



Electricity/
Gas/
District Heating
Network
Optimization

NEW CHALLENGES

- Ensuring effective price-signals (cost - reflectivity)
 - Capacity / energy payments
 - Connection fees
 - Generation (G) charges
- Stranded assets/ underutilization

NEW CHALLENGES - 3D STRATEGY

- Digitalization
- Decarbonization
- Dynamic Regulation

CEER's 3D Strategy (2019-2021) Digitalisation, Decarbonisation, Dynamic regulation: CEER's 3D Strategy to foster European energy markets and empower consumers, 2019

DIGITALIZATION (in the consumers interest)

- Facilitate new business models (internet-based),
- Make full use of the possibilities offered by new technologies to improve the energy system efficiency e.g. encourage network cost reduction through better use of data,
- Improve management of peak demand and its consequences on network investment.
- Facilitate consumers' active involvement, and ensure accountability of service providers.
- Facilitate the move towards pan-European markets.

DECARBONIZATION (at least costs)

- Ensure adequate system resilience and security of supply by reducing consumption/ Improve energy efficiency
- Facilitate innovation and industry development, new business opportunities.
- Develop an energy market design with a minimal level of subsidy mechanisms
- Optimise the whole energy system cost to achieve decarbonisation at least cost, taking account of both gas and electricity, while maintaining a high level of security of supply.
- Build consumer confidence in the market by ensuring all consumers benefit in a fair way, notably through the efficiency of the network tariff, and promote the participation of consumers without discrimination between consumers/prosumers.

DYNAMIC REGULATION ((solutions for adaptive regulation in the fast changing world)

- Implement a coherent and adaptive regulatory framework for European solutions in electricity and gas (regional regulation/local implementation, etc.) (flexibility versus stability).
- Design effective regulatory oversight and new regulatory approaches for a fast-growing diversity of new market models, business models and market actors,
- Support strong, independent and efficient regulation through an appropriate level of resources for NRAs and ACER as key for dynamic regulation and market actors' trust in the market.



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THANK YOU!

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