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Konrad
Adenauer
Stiftung

“Capacity market – solution for the future”

26 May 2014

Zielna Conference Center, ul. Zielna 37, Warsaw

Capacity market was identified as one of the top issues for the Polish-German energy debate during the first Polish-German Energy Forum <http://csm.org.pl/en/2014/643-polsko-niemieckie-forum-energetyczne-2>, which Center for International Relations co-hosted in Berlin early this year.

In Poland the discussion on the capacity market arose from the diagnosis on the imminent capacity shortages between years 2016 and 2018, mostly due to the time gap between switching off old and unprofitable coal energy blocks and launching the new ones.

However, in Germany considerations on introduction of this regulatory instrument was caused by intensive development of the renewable energy sources. Given the unstable and unpredictable supply of wind and solar energy, there was diagnosed a need for maintaining a reserve capacity, which causes additional costs to the system. As a result, the different departure points result in seemingly a similar answer, which shall be the capacity market.

The deepened debate on the market design are also conducted in another major EU economy, France. Even though nuclear is main source of its electricity, France plans to adopt rules with the aim of guarantee security of supply in the context of the rising peak demand.

The conference “Capacity market – a solution for the future” is organized by the Center for International Relations in cooperation with the Konrad-Adenauer-Stiftung Office in Poland with the aim to offer a platform for the exchange of views on this market regulation instrument.

Starting point for the discussion on imperfectabilities of the current electricity market, reasons for introduction of the capacity mechanisms and their characteristics is an article prepared by the Regulatory Assistance Project “**Market Mechanisms for Resource Adequacy and System Security : Framing the issues.**”

Conference Programme:

(conference with simultaneous Polish-English translation)

10.30 am – Registration of participants

11.00 am – Opening of the conference

Ambassador Janusz Reiter, President of the Council, Center for International Relations

Piotr Womela, Konrad-Adenauer-Stiftung Office in Poland

11.15 am – Space for cooperation

Arkadiusz Ratajczak, Legal Counsel, Swora-Legal : “Capacity market: reasons, instruments, EU experience”

Dr Stephan Krieger, Director, International Relations, BDEW German Association of Energy and Water Industries : "Decentralized capacity markets in a cross-border context"

Chloé Latour, Adviser to the European Affairs Director of RTE (the French TSO) : "A capacity market in France – status of discussions and future steps including European integration"

Dr Jan Rączka, Senior Advisor, Regulatory Assistance Project : “Demand side resources on the capacity market”

Discussion

12.30 Coffee break

12.45 pm – Why a capacity market?

Michael Hogan, Senior Advisor, Regulatory Assistance Project : “Capacity versus capability market”

Professor Jacek Kamiński, Polish Academy of Sciences, The Mineral and Energy Economy Research Institute : “A centralised capacity market in Poland – selected issues”

Stanisła Poręba, Expert, Ernst and Young : “Proposals on the capacity market in Poland”

PSE representative, tbc.

Discussion

2 pm Lunch