



Technology-neutral auctions

Myth or reality?

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Strommarkttreffen: EE-Auktionen: Auktionsdesign und aktuelle Entwicklungen

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Petro-
Chemical

The diagram consists of two horizontal bars on a dark blue background. The top bar contains three circles: a light blue circle labeled 'Petro-Chemical', an orange circle labeled 'Energy', and a light green circle labeled 'Fertilizers'. The bottom bar contains four circles: a light blue circle labeled 'Prices', an orange circle labeled 'News', a light green circle labeled 'Analytics', and a grey circle labeled 'Data'.

Energy

Fertilizers

Prices

News

Analytics

Data



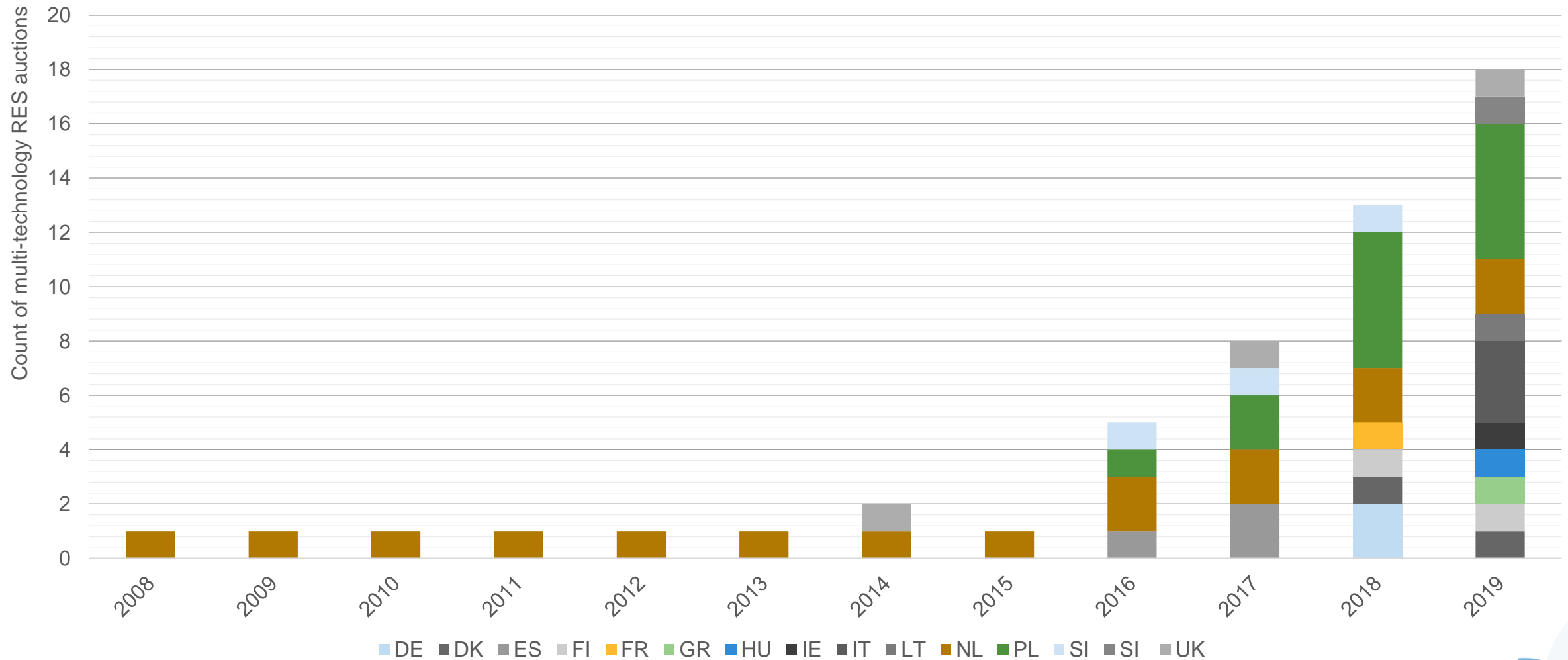
Agenda

- 1) European regulatory framework
- 2) Trends in auction designs
- 3) Trends in auction results
- 4) Conclusions

Regulatory framework: push from Brussels

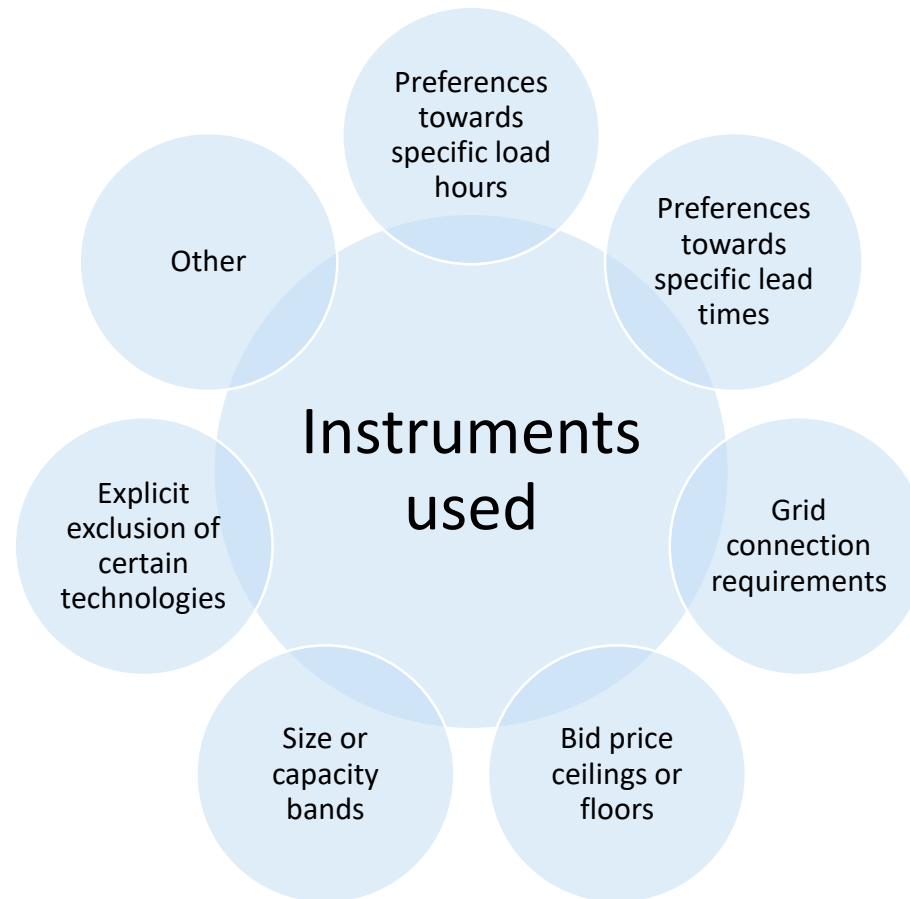


Proliferation of multi-technology auctions

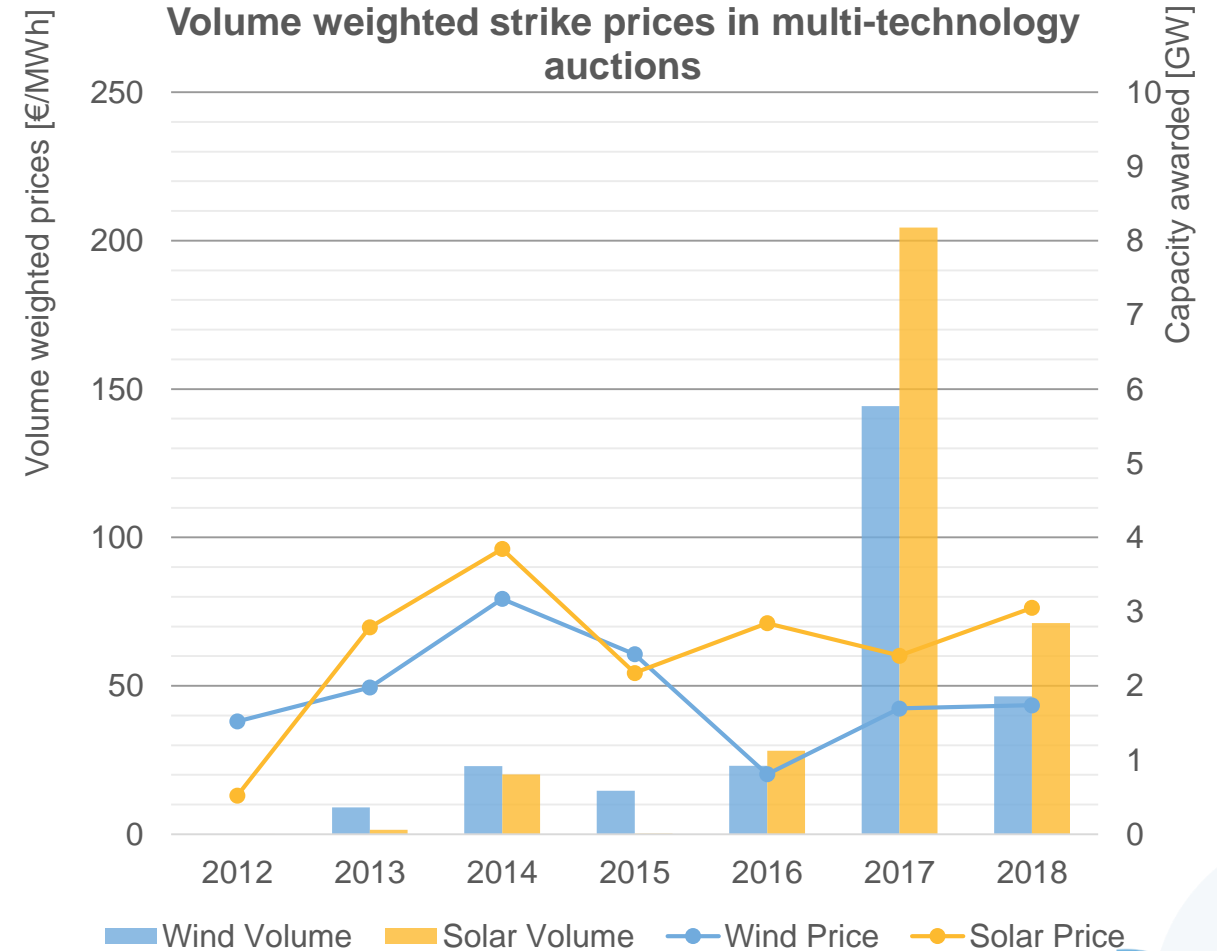
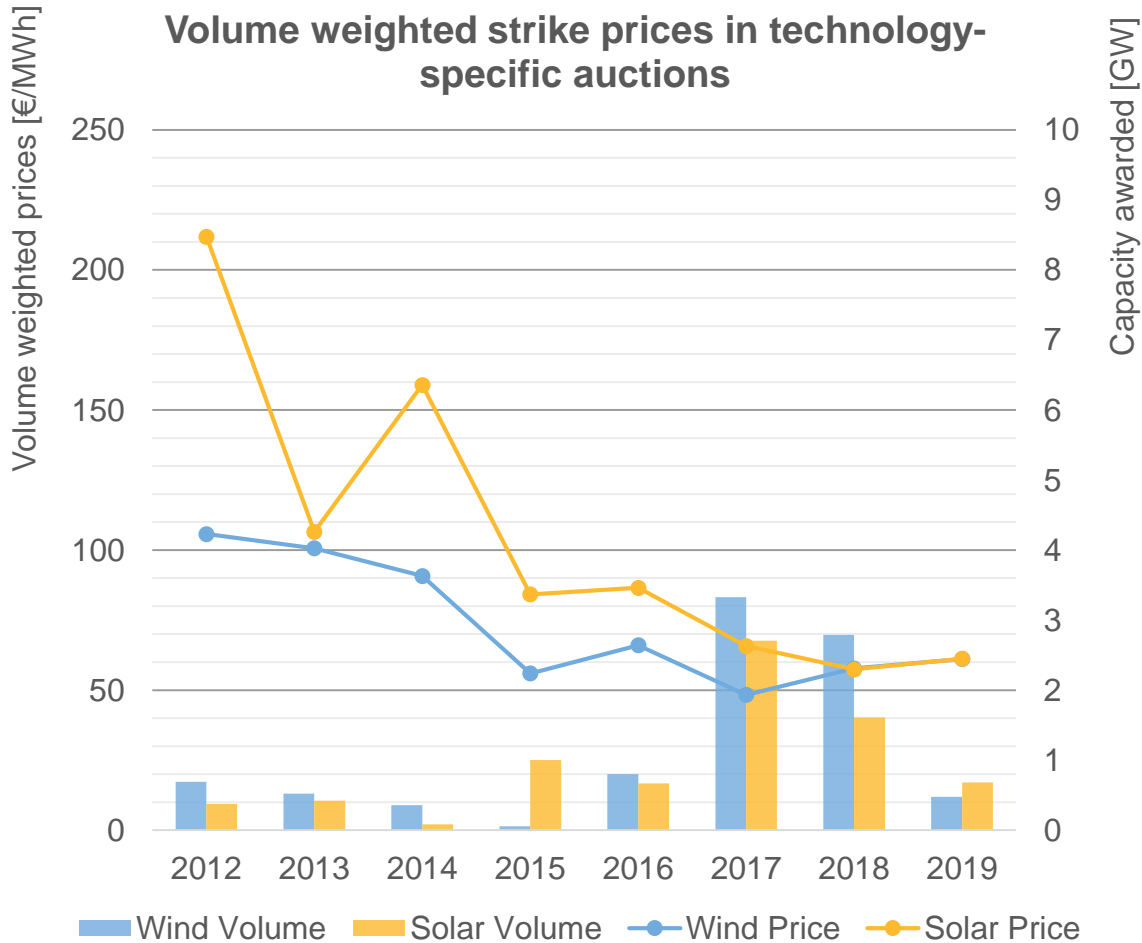


Source: ICIS RES auctions database

Governments shape multi-technology auctions outcomes

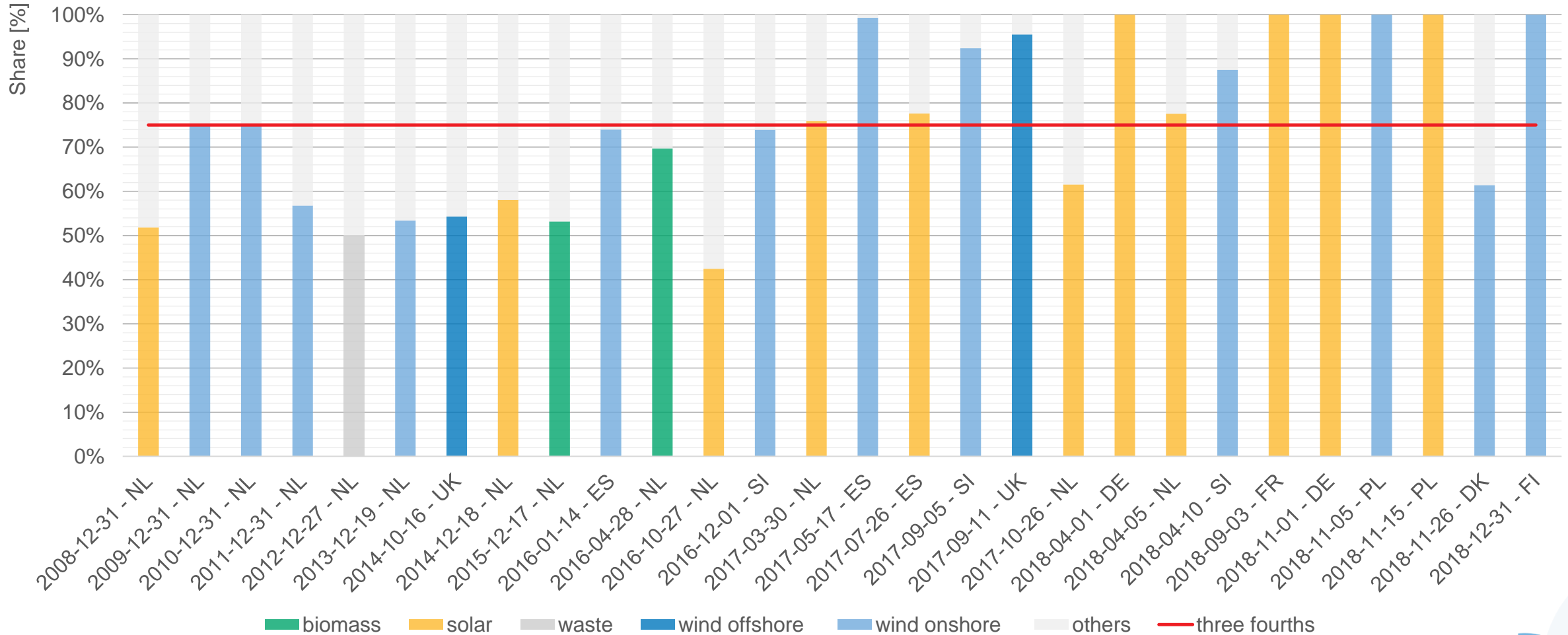


Single technology vs multi-technology auction prices



Source: ICIS RES auctions database

Share of the main awarded capacity in multi-technology auctions



Conclusions

- ➔ Current trends
 - ▶ Response to the Commission push – spreading multi-technology auctions
 - ▶ One technology tends to dominate results
 - ▶ Strike prices fall in both technology specific and multi-technology auctions
 - ▶ Member states intervene in auction designs
- ➔ Future outlook
 - ▶ In order to comply with EU legislation formally future auctions will be predominately multi-technology across Europe
 - ▶ Governments will have both the incentives and the tools to shape the auction results
 - ▶ There will be no convergence towards ‘one-size-fits-all’ technology neutral auctions



Source: Pixabay

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The background of the slide features a photograph of several wind turbines in a field, silhouetted against a vibrant sunset sky with orange and red hues. The turbines are positioned on the right side of the frame, with the most prominent one in the foreground and others receding into the distance.

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