



Energy storage regulation

1. Energy storage should be regulated? In what cases? What kind of regulation?

- ❖ **Basic operation:** energy consumption to introduce (a smaller amount) in the system at a given time
- ❖ **Principle:** any energy that is consumed or injected in the market should follow market rules
- ❖ **Experience in the electric sector:** electricity sector has a long experience in storage systems such as reservoirs and pumping, that operate in the market regime
- ❖ **RES expansion:** it's a new and great opportunity for storage
- ❖ **Need of delivering the appropriate market signals**
- ❖ **Storage affects the market to a greater or lesser extent** → follow market rules: developed & operation managed by the agents following efficient economic criteria

2. Specific rules should be necessary? Is it justified to apply a different treatment?

❖ Capacity assesment

✓ Solution:

- Electricity storage should be paid in line with its contibution to the system's peak
- No discrimination regarding other plants

❖ Power availability assesment

✓ Solution:

- Adequate assesment of the real power availability
- Pay the market price of the upward need (for balancing)

❖ Small size: difficult access to the market

✓ Solution:

- Allow generation & consumption balancing
- More efficient access tariffs' structure

❖ Emerging development

✓ Solution:

- Limited & directed support
- Specific demonstration projects

3. Regulatory proposals

- ✓ **Market access on equal terms as other alternatives**
 - Development & operation of storage in the market
 - Adequation of regulated tariffs to real costs
- ✓ **Market rules:** storage systems have to follow these rules as other market plants do; they have to be proportioned, non discriminatory & should provide efficient signals
 - Participation in capacity mechanisms, availability payments, upwards need (for balancing)
 - Increase upper limit in the electric market price
- ✓ **European internal market:**
 - Market integration at all levels (day, intraday & balancing)
 - Harmonized rules in Europe (access tariffs for pumping)
- ✓ **Clear & stable regulation**
- ✓ **R&D support for those technologies that are still far from being competitive**



Thank you

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