Meeting with Orsted 7 December 2022:

Orsted:

- [Redacted]

Commission:

- [Redacted]

- Electricity market design (EMD):
  - Orsted believes that the current market design is functioning, in particular the marginal pricing.
  - They believe long term contracts are necessary (e.g. PPA)
  - They propose to incorporate the issue of hybrids offshore projects in the market design reform. These projects face both volume and price risks. They propose that the EMD reform could help tackle the volume risk (aka lack of transmission capacity allocated).
  - Commission informs about the process concerning the targeted EMD reform in line with the information on the non-paper presented to the Council
  - Orsted explains why they do not favour CfDs as a mandatory instrument for all existing RES. They explain that there is a market where they are able to work without subsidies.
For instance, in the recent German auction they were able to sell 80% of the generation in Germany through PPAs.