

Energy Storage in the electricity system

- Energy storage services should be a market-based activity and developed under competitive terms.
- Efficient use of storage facilities and fair access to storage services for all market participants.
- Avoid distortion of competition and cross-subsidization between storage and distribution/transmission of electricity.
- The new Electricity Directive and Regulation under the CEP, puts in place a new framework for energy storage in the electricity system:
 - Energy storage definition which accommodates the different storage technologies
 - Specific role of network operators
 - Participation of energy storage in the market and provision of flexibility services at a level playing field with other energy resources



Role of electricity DSOs/TSOs in energy storage

- DSOs and TSOs should not own or operate storage facilities or be involved in development/management of such facilities.
- Member States could allow operators to get involved is such activity for ensuring reliable and secure operation of the system, under the following cases:
 - 1. If other parties could not invest and deliver storage services
 - 2. For fully integrated network components
 - 3. For battery storage facilities with a FID before the entry into force of the Directive for DSOs, and 2024 for TSOs

Under case 1:

- ✓ Open tendering procedure
- ✓ Regulatory authority approval
- ✓ Reassess the market every 5 years



DSO to phase-out activities in 18 months if market interest exists



Participation of storage in the electricity market

- Enable participation of energy storage in the electricity market under equal terms.
- Non-discriminatory and effective provision of storage services:
 - Balancing
 - Non-frequency ancillary services
 - Flexibility services for DSOs
- Market rules for facilitating the participation of energy storage in the market alongside generation and demand response:
 - Redispatching rules should account for storage
 - Network tariffs should not discriminate against energy storage
 - Participation in capacity mechanisms
 - Network code on DR and storage



