

Luxembourg, 6th of June 2016

## **The electrical heart of Europe beating faster and smarter**

*Pentalateral Energy Forum accelerates the process to put regional cooperation into practice*

*The Luxembourg Presidency of the Benelux Union hosted on the 6<sup>th</sup> of June a meeting on regional energy cooperation with top officials from the Benelux countries, Germany, France, Austria and Switzerland in order to discuss the progress achieved so far, to decide on the next steps to further integrate electricity markets and to develop common approaches in guaranteeing the security of supply.*

During its Presidency of the Council of the European Union in the second semester 2015, the Grand Duchy promoted the benefits of regional cooperation as an important pillar for the building of an Energy Union. One year after the Ministers of the Pentalateral Energy Forum agreed on a new action plan to deepen the internal market for electricity, the Luxembourg Presidency of the Benelux Union, has invited, , the Directors General for Energy of the member countries of the Pentalateral Energy Forum to a High Level meeting. During the meeting held in Luxembourg, the Directors General reviewed the work carried out over the last year and gave guidance for its further implementation. Additionally, the DGs defined action points for the future cooperation.

One of the main decisions was a roadmap towards the alignment of opening and closing times of electricity markets, which are still functioning rather independently from each other. This alignment aims at facilitating cross-border trading of short term electricity products, and should thus allow more flexibility in a larger market and smooth out the potential unpredictability from renewable energy sources. The meeting also allowed creating commitment to remove identified barriers to the development of demand side response in the broader Penta region.

The seven member countries of the Forum emphasized once again that they consider the further development of these flexibility options as an essential condition for delivering security of supply in the context of growing amounts of renewable energy in the production mix. The secure and continuous supply of electricity remains at the heart of this regional cooperation. In the coming years, the Pentalateral Energy Forum will also continue to work on a regional assessment of the production and consumption pattern and the resulting electricity exchanges across the borders.

The Directors General also discussed the issue of cross-border participation in Capacity Remuneration Mechanisms. The introduction of mechanisms to remunerate a certain level of capacity in one country and its cross-border impact is under scrutiny in the Pentalateral Energy Forum. First key messages on the ongoing Penta work that will lead to final recommendations in the second half of this year were discussed. By doing so, the Pentalateral Energy Forum is proactively sharing its findings with other countries and the EU Commission.