

EN
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Answer given by Ms Simson
on behalf of the European Commission
(27.11.2024)

The Commission has been assessing the root causes for these high prices in Southeastern Europe and has engaged bilaterally with the respective Member States well before the European Council of 17-18 October 2024.

The Commission observed that prices in the region have lowered significantly since mid-September 2024. The high prices observed during summer 2024 were attributable mainly to tight supply-demand balance during certain evening hours, exacerbated by a lack of flexibility sources, weather conditions, low hydro reservoirs and insufficient interconnector capacity.

The Commission is in continuous talks with Member States to support the implementation of tools to respond to price spikes without interfering with the proper functioning of the wholesale markets and the necessary investment incentives. These tools could for example mobilise demand-reduction during critical hours or incentivise investments in non-fossil flexibility. Also, the maximisation of the use of existing interconnections between the region and the rest of Europe is of crucial importance.

The electricity legislative framework, including the recent Reform of the Electricity Market Design¹, comprises tools to support the development of non-fossil flexibility – including storage capacity. The Commission continues to monitor closely the implementation of the EU energy legislation in national frameworks.

In addition and in line with the Mission Letters and the Political Guidelines, the incoming Commission will continue to address these issues as part of its upcoming work on the action plan on affordable energy and the clean energy investment strategy.

¹ <https://www.consilium.europa.eu/en/press/press-releases/2023/12/14/reform-of-electricity-market-design-council-and-parliament-reach-deal/>