

MAKE FULL USE OF THE EU ELECTRICITY GRID

2024 MARKET MONITORING REPORT - ELECTRICITY



Electricity Transmission System Operators (TSOs) must make 70% of transmission capacity available for electricity trading with neighbours by the end of 2025.



The EU power grid is increasingly congested. This has knock-on effects on the grid capacities made available for cross-zonal trade.

€4 billion

was the cost of managing EU power grid congestion in 2023.

Over 12 TWh of renewable electricity curtailed in the EU in 2023 due to grid congestion, causing an estimated additional 4.2 million tons of CO₂ emissions.



Some TSOs currently make (on average) between 30% and 50% of grid capacity available for cross-zonal trading.

Delivering on the agreed minimum 70% requirement is unlikely without tackling tough trade-offs.



Maximising the cross-zonal capacity lies at the heart of the European electricity market.

It helps Member States:

- foster flexibility and integrate more renewables into the system;
- mitigate price volatility; and
- enhance security of supply.

OLD BARRIERS PERSIST:

- Loop flows, i.e. internal trades within country A that create electricity flows through country B, negatively impact other Member States.
- Insufficient and costly remedial actions.
- No mechanism in place for sharing the cost of remedial actions.
- 30% of Projects of Common Interest (PCIs) are delayed.

Meeting the 70% requirement by the end of 2025 requires a collective effort. Each Member State's actions (or inactions) impact others and ultimately the end consumer.

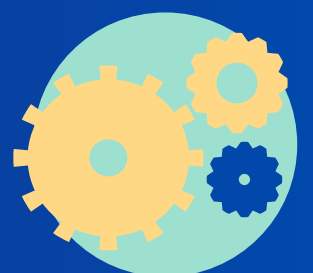
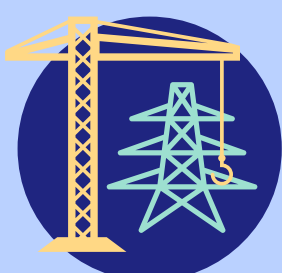


HOW TO MAXIMISE CROSS-ZONAL CAPACITIES?



1 TSOs should implement coordinated processes to calculate capacities and manage congestion.

2 TSOs should invest in reinforcing the congested areas of the grid.



3 Improve the bidding zone configuration, if unable to consistently meet 70%.