

**WORLD
ENERGY
COUNCIL**

BELGIUM

Wereldenergieraad - België
Conseil mondial de l'énergie - Belgique
Weltenergieerat - BelgienKindly hosted by 

Joint Seminar on Capacity Remuneration Mechanisms

and

Inauguration of the 'World Energy Council' Think Tank - Belgium

Wednesday, May 11, 2016

Today, the ultimate goal of electricity markets, not only in Belgium but all over Europe, is to ensure the progressive decarbonisation of the system whilst at the same time guaranteeing high levels of security of supply at affordable costs. What we observe, however, is essentially a struggle of utilities to find the right balance between these three pillars since action in one domain inevitably triggers an impact on the other two. In order to comply with the decarbonisation objective, for example, large quantities of variable renewable energy sources are added to the system. These renewables do possess the characteristic of having a marginal cost close to zero which, in energy-only markets, depresses prices at certain moments in time. One of the ensuing consequences then is that much needed investments in the face of the energy transition are, because of low commodity prices, at best put on hold, at worst cancelled all together, which impacts security of supply. A patch to trigger new investments and at the same time offer economically challenged generation assets a balloon of oxygen, is to implement a system in which not only the generation and supply of electricity are remunerated but also the availability of production capacity. These so-called *capacity remuneration mechanisms* are, however, being contested because they go counter the spirit of liberalisation by adding another layer of subsidies on top of the already vast amount of existing subsidy schemes. In this seminar, the floor is given to the "fine-fleur" of energy economists who will present diverging views on the necessity or ridiculousness of the adoption of such a system.

The seminar will be followed by the festive inauguration of the World Energy Council, chapter Belgium.

Programme

13h00 Registration and welcome coffee

13h45 Welcome address by

- Jan Molema, Head of Team Market Benelux
- Prof. William D'haeseleer, KU Leuven, Chairman of WEC-Belgium and Member of the Royal Academy (KVAB) and its Reflection Group on Energy
- Danielle Devogelaer, Chairman of the day, Federal Planning Bureau, BAEE Board Member and Member of the KVAB Reflection Group on Energy

14h00 First panel

- Prof. Laurens De Vries, TU Delft and BAEE (NL)
- Dr. Stefan Lorenczik, Chief Modeller at EWI-Uni Köln (DE)

Moderator: Prof. Erik Delarue, KU Leuven (BE)

15h00 Second panel

- Prof. Fabien Roques, Senior Vice President FTI CL Energy and Paris Dauphine (FR)
- Prof. Johan Albrecht, UGent (BE)

Moderator: Prof. William D'haeseleer, KU Leuven (BE)

16h00 Coffee break

16h30 Panel discussion between the different speakers and animated by the two moderators

17h15 Inauguration of the 'World Energy Council' Think Tank - Belgium

18h00 Reception (drinks and fingerfood)

Venue

Benelux

Regentschapstraat 39

1000 Brussels

