



# THE EUROPEAN POWER PRICE SURGE: UNDERLYING DRIVERS, AND EARLY LESSONS



**CEEM Workshop**  
**16 November 2021 - 12.30 pm - 2pm**  
*A709 - Université Paris Dauphine-PSL*  
*European Electricity Markets Chair*

## INTRODUCTION ET OBJECTIVES

Electricity prices have reached new historical highs in recent weeks, as different events combined to drive power prices up, leading policy makers to call for interventions across European countries. A sharp rebound in global energy demand, and increases in both gas, coal, and carbon prices in Europe all played a role in the recent increase in power prices. With the winter ahead of us, much uncertainty remains as to how commodity markets and prices will evolve in the next months. Whilst the tension on the European gas market is expected to ease in the medium term as new sources of supply come online, the expected reform to the European Emission trading scheme in line with the “Fit for 55” legislative package should boost carbon prices in a more structural way.

The sharp increase of power prices has led policy makers to intervene in a number of countries to try and protect consumers in an uncoordinated way, and sometimes in a way that goes against sound economic principles and will lead to market distortions (such as the clawback tax introduced in Spain). Policy makers have also called for a reform of the electricity market. The European Commission tried to coordinate policy responses through a ‘policy toolbox’, and the crisis has revived the tension between the different dimensions shaping European energy policy – namely the climate agenda, but also competitiveness and affordability issues, as well as security of supply.

As any good crisis, the recent weeks have been useful to test the resilience of markets to stress conditions, as well as the resilience of policy makers to periods of high prices. The conference will aim to analyse the recent price increase and derive some early lessons from the recent events. The workshop organised by the CEEM will bring together in a hybrid format with both physical participation in Dauphine university and a virtual connection electricity markets practitioner, and academic researchers to discuss these issues.

## WORKSHOP AGENDA

**12h30** Welcome and introduction - Jan Horst Keppler and Fabien Roques

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**12h40** Analysis of the recent market events – crossing different perspectives:

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*Gildas Barreyre, UNIDEN*  
*Jean-Victor Eck, EkWater*  
*Jean-Baptiste de Gabory, Uniper trading*  
*Mariana Liakopoulou, EFET*  
*Andreas Rüdinger, IDDRI*  
*Emeline Spire, CRE*  
*Philippe Vassilopoulos, EPEX SPOT*

**13h30** Round Table discussion – Implications for market design

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### Contributions from the CEEM sponsors

*EDF, TotalEnergies, RTE, EPEX SPOT*

**13h55** Wrap up and close

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