

# European Parliament approves Clean Energy for All Europeans package



The European Parliament has adopted the new Electricity Regulation and Electricity Directive, concluding the political negotiations on the Clean Energy for All Europeans package. The regulation now requires to be formally approved by the Council. It will then enter into force immediately (with a date of application of 1 January 2020 for the Electricity Regulation) and has to be transposed into national law within 18 months.

The revised Electricity Regulation opens up electricity markets to renewables, energy storage and demand response. It also introduces stricter and harmonised rules for capacity mechanisms and enhances regional coordination in order to improve market functioning and competitiveness. Under the new rules, new thermal power plants emitting more than 550 gCO<sub>2</sub>/kWh will not be allowed to benefit from the capacity mechanism, while existing power plants emitting more than the 550 gCO<sub>2</sub>/kWh

threshold will be allowed to participate in capacity mechanisms until July 2025 only.

The Clean Energy for All Europeans package is expected to enable the European Union to realise the energy transition, follow up on the 2030 climate legislation and meet the Paris Agreement commitments.