

The Role of Association "NP Market Council" in Support of New Technology Development in Russian Wholesale Energy Market

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Association "NP Market Council"

Electric power companies and consumers use generation, storage and smart grid technology in order to rise their efficiency and competitiveness in energy markets.

Incentive-based regulation in this area assists technology developers and growth of opportunities for the application of new technologies in different market sectors. However, there are cross subsidization practices in electricity industries and between different industries of many countries including Russia. This regulation makes energy markets actors realize new technologies as an alternative to supply from the centralized energy system and the wholesale market.

In this case, the role of infrastructure companies (such as market operators) is to adapt market rules for new effective technologies integration. The operators have to develop standards of participation in power energy system, which will decrease fault risks. This approach helps market actors to understand conditions of new technologies application, decline risks of actors' leaving the market, negative influence reliability of power energy system.

Association "NP Market Council" ensures commercial infrastructure and equity, develops market relations in Russian Wholesale Electricity Market.

In Russia, there are a few government programs of support distributed and renewable energy sources and microgeneration.

The Russian government promotes renewable energy sources (RES) on the wholesale and retail electricity markets. There is a return investment program for a new built RES in the capacity sector of the wholesale market, the program continues until 2024. Also Association "NP Market Council" qualifies and maintains a register of RES, develops green certificate market in Russia.

In addition, there is a program "National technology initiative" which assists startups of distribution energy sources, RES, energy storage, microgrid, smart grid and demand response technology. Until 2020, guidelines and standards for pilot programs of these technologies will be captured in legislation. The support program of microgeneration includes simplification of grid connection standards and tax credits.

Regarding this direction, Association "NP Market Council" evaluates conceptions and legislation changes of the programs, because it is important to protect the market from new cross subsidization values.

Moreover, Association "NP Market Council" manages the Study Committee C5 "Electricity Markets and Regulation" of Russian National Committee of CIGRE. In the Committee, scientific research is discussed and working groups are organized. The committee works with topics interesting for the Russian market, for example, Distributed Generation and prices forecasting.