

**PRESS RELEASE
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The group of academic experts submits to the French energy regulator the report **Beyond the crisis: re-thinking the design of power markets**

CRE publishes today the joint report of 11 university professors on the reform of the European electricity markets, in the wake of the December 15 conference ("Beyond the crisis: re-thinking the design of power markets").

The objective of this report is to inform the national and European public authorities who are currently preparing the reform. It is one of the rare examples of a joint analysis by a large group of academics specializing in the subject, from different continents (North America and Europe) and different countries (United Kingdom, France, Spain, Italy, Germany).

On the substance, the group is not proposing to overturn the European electricity markets, but it does draw attention to several specific points the importance of contributing to the development of forward contract markets, the relevance of other long-term contracts (PPAs - power purchasing agreements - as an instrument of contractual freedom for certain consumers, CfDs - contracts for difference - with points of attention when drafting the clauses), network congestion that will persist, especially at the European level, the need to take into account the macroeconomic dimension of electricity crises and their effect on industries, the temporary and exceptional nature of taxing inframarginal rents, and a great deal of caution regarding the relevance of a possible capacity market on a European scale.

Each point is dealt with in a specific note with two sections, one focusing on the economic analysis, the other on the empirical implications and, above all, the general recommendations for policy makers. In drafting the latter, the researchers have taken into account the heterogeneity of the situations in the different European countries.

The CRE International Academic Group is coordinated by Prof. Frédéric Gonand, Professor at the University of Paris Dauphine-PSL and former CRE Commissioner. The signatories of the report are:

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As an independent administrative authority, the Commission de régulation de l'énergie (CRE) ensures the proper functioning of the electricity and natural gas markets for the benefit of end consumers